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BOOK REVIEWS AND NOTICES

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AFTER MUNICH: THE WORLD OUTLOOK[1]

ARNOLD J. TOYNBEE

PERHAPS I had better begin by saying a word as to how this paper took shape, because you, Mr. Chairman, and a number of other members of the Institute and a number of my colleagues on the staff of the Institute have had a hand in it as well as myself. When I was asked to write this paper I produced a first draft not so very unlike what our friend M. Géraud gave us last week. I said Munich was a disaster. I said it a great many times over, and when that draft was submitted to a group of members of Chatham House, they all disliked it, because those who wanted still to fight Germany said: "If things are really as bad as this, we cannot fight Germany," and those who wished now to pursue a policy of appeasement said: "If things are really as bad as this, it is no use pursuing a policy of appeasement." In rejecting my paper they expressed a great many opinions and brought out a great many facts bearing on all aspects of the subject. I was not present at those meetings; I had gone into the country to keep pace with a printer; but on my return my colleague Mr. Michael Balfour came to my rescue. He gave me a full report of what the members had said, and we then re-drafted the paper to incorporate their views. As a result, quite a different paper was produced, which I think is quite a useful one (I venture to say this because my part in it is comparatively small). It is a tabulation of the "pros" and "cons" on the three questions of what the facts are, what are our means for dealing with the facts, and what our policy ought to be. When, however, our chairman read this revised version he said: "This will not do either. This tabulation of 'pros' and 'cons' is too colourlessly objective. You must not give your audience just that and nothing more." So I am going to compromise between my original personal paper and this tabulation of "pros" and "cons." After all, a personal opinion is not very interesting; on the other hand, it would be inhuman to suppress it completely when talking face to face to people who are likewise deeply interested in such

[1] Address given at Chatham House on November 15th, 1938; Mr. G. M. Gathorne-Hardy, M.C., in the Chair.

a critical subject. I propose to give you more of the " pros " and " cons " than of my own personal opinion, because these represent the views of a number of members of the Institute who themselves represent a great many other people in the country; but I do also propose to show my own hand and to let it appear whether I think the " pros " or the " cons " have it on this or that question.

The question with which I would like to start is the one that immediately arises out of what happened in Central Europe in September, and that is: What are Germany's prospects in Central and Eastern Europe and the Mediterranean region (which also comes in, because of the Rome–Berlin Axis)? Now that is purely a question of fact; and yet I think there is an almost alarmingly wide difference of opinion in this country even on the question of fact as to what Germany's prospects are, after Munich, in Central Europe.

First let me put forward some of the considerations which those who consider her prospects favourable would bring forward. They would point out first, I think, that Germany has now nearly eighty million inhabitants, almost double the population of the next most populous European Power, almost as large a population as that of Great Britain and France added together. Not only is Germany now by far the biggest nation in Europe that is united in a single national State, but, immediately adjoining her on the east, she has a whole cluster of rather small, rather newly fledged nations, so that Germany's strength is juxtaposed with, and enhanced by, the weakness of Germany's eastern neighbours. Again, Germany, in combination with her partner in the Berlin–Rome Axis, now insulates France and Great Britain from everything on the Continent that lies beyond the eastern frontiers of the Reich and Italy. That is very clear. The Axis divides France and Great Britain from everything eastwards as far as Vladivostok. In war time the Axis Powers would be able to cut Anglo-French communications with Eastern Europe and Russia, not only overland but also by sea through the Baltic (certainly) and through the Mediterranean (very probably). Another point relating to the small States to the east of Germany: the Reich has now so great a preponderance of economic power over these States that she might be able to place them in a position in which their only chance of prosperity and livelihood would lie in co-operation with Germany on German terms. They might not like it, but they might have no alternative. In a similar way she has such a preponderance of military power over them that she might

be able to place the small States in such a position that their only chance of security would be in cooperation with her against others on her terms. She might say to any of them: "If you resist us, we smash you. If you play our game, we guarantee your security, and we can. If *we* do not smash you, we can prevent anyone else from smashing you." That is rather the position of Czechoslovakia towards Germany since Munich. So long as *Germany* is not going to bomb Prague, Prague is not going to be bombed by anybody else. Therefore there is an immense incentive for Czechoslovakia to keep on good terms with Germany in the future. Then, again, some small nations east of Germany have historic quarrels with one another as well as with Germany, and as some of these East-European quarrels have been perpetuated and embittered by the Peace Settlement of 1919, Germany might be able to play off her East-European neighbours against one another. Already you see her, over the question of Carpatho-Ruthenia—Carpatho-Ukraine as the Germans call it—supporting Czechoslovakia against Hungary. I suppose she will play off Hungary against Roumania in a future round, and the Ukraine against Poland and Russia; I think that is almost certain. That tiny third part of Czechoslovakia, the Carpathian Ukraine, which Germany has so easily preserved for Czechoslovakia against the combined wills of Poland, Hungary and Italy, is of course the tail end of a very large animal. The Ukraine extends northwards to Brest-Litovsk, an ominous name for the neighbours of Germany, and eastwards beyond the map to the Sea of Azov. It is inhabited by a nation of thirty or forty million people who are waiting to be liberated by somebody. Germany can play off the Ukrainians against Poland and the Yugoslavs against Italy. If you look at a nationality map of Poland, you will see that it is amazingly like the former map of Czechoslovakia on a rather larger scale. One third of the present population of the present Poland is non-Polish. Those minorities consist of a German subject minority on the west and Ukrainian and White Russian minorities on the east. You can see that the same method could be applied to Poland as to Czechoslovakia, the Ukrainians and White Russians taking the part of the Hungarian and Polish minorities in Czechoslovakia in September. As for Italy, she has two minorities, one German, the other Yugoslav, an obvious point in favour of Germany in her relations with Yugoslavia; and this policy of setting her neighbours against one another is already being pursued by Germany through a championship of the principle of nationality.

I would like to point out that, in the War of 1914–1918, the principle of nationality was the principle that overthrew Germany herself, as well as her ally Austria-Hungary. How has Germany now been able to make the same principle work in her favour? Because we thoughtfully relieved Germany of all non-German subject minorities and left large German minorities to be ruled by other people. Germany now has no awkward non-German subject minorities except her scattered and helpless Jews. She has achieved the unity of her own nation, and it is by far the largest nation in Europe, a nation of eighty millions. Now, having achieved her own national unity with these eighty millions, it will pay Germany to work the principle of nationality, because by working that principle she will be weakening her neighbours. On the Versailles map the State of Poland had thirty million inhabitants and Germany sixty-five million. But on a map of Europe redrawn according to the principle of nationality, Germany rises to eighty millions and Poland sinks to twenty millions; instead of being half as big as Germany, she is then only a quarter of Germany's size. So to work the principle of nationality now pays Germany, and I think you will find that she will work it for all she is worth.

That will be a great advantage to Germany in controlling Central and Eastern Europe, because, if she does respect ethnic unities—and in Czechoslovakia she is now respecting a minimum national nucleus—she may avoid driving any of these nationalities to complete despair and irreconcilable opposition to German ascendancy. If it is thus possible, as it may be, for Germany to gain all her ends in Central and Eastern Europe without ceasing to show some respect for national unity and autonomy, it would seem that she might realise her aim in this way without arousing very serious opposition; and then she might be able to find common causes between herself and anyway the ruling elements in these East-European countries.

One very useful common cause is anti-semitism. Some of Germany's eastern neighbours are also inclined to be anti-semitic. Poland is not so anti-semitic as Germany, nor is she so brutal in carrying out her anti-semitic policy or in giving vent to her anti-semitic feelings; still, on the whole she is anti-semitic. Hungary is anti-semitic too, and Roumania rather badly so. There are signs that the same evil may now break out in Czechoslovakia. That is a possible common ground between the Nazi ruling element in Germany and the ruling elements in those neighbouring States. Another common interest that Germany might successfully use

in addressing herself to the people in power in these East-European countries is their desire for security from subversive movements from below. Many of those countries—Poland and Yugoslavia, for instance—have to-day a régime which is sitting on a volcano. The rulers do not know what might boil up from below. The Government is not very representative of the feeling of the majority of the people. Germany, as the leader of an anti-Komintern front, could make the same offer to those Governments in Eastern Europe as we in the nineteenth century in India made to the Indian Rajahs. " Come into our system, and then we will guarantee you. You shall not be blown up, but shall remain on your thrones, and your descendants shall reign after you." In a similar way Germany can present herself as the guarantor of the existing order in Central and Eastern Europe.

Then, of course, there are her difficulties with the biggest of her associates, Italy and Poland. They will naturally be the most restive, but to them she has one special appeal that she can make: an appeal to their common desire for colonies. We all know that Italy wants colonial expansion, but it is also a fact that Poland too is colonially-minded. This is not surprising, because Poland has one of the most grievously congested peasant populations in Europe. Thus, while Italy and Poland will chafe at being the biggest of Germany's—shall we say, associates, or subordinates?—Germany has something special to offer them which they might greatly value and which might reconcile them to their association with Germany. Again, in order to consolidate her influence and control over Eastern Europe, Germany will no doubt make full use of modern technical facilities for her own purposes. You will notice that already she is making political use of railways. In her bargain with Czechoslovakia she has secured a privileged through-traffic across Czechoslovakia between Austria and Silesia in exchange for letting the Czechs have a through-traffic across those sections of Czech main lines that are now bestridden by corners of Germany. And I think you will find that the Hungarians will have to give a right of way to Germany, through the territories now reunited with Hungary, to the outlying Carpatho-Ukraine. I think the railway system of Central Europe will become a German railway system, and no doubt a very efficient one. The Germans will also use their technical facilities for propaganda and repression through the Press, the cinema, the wireless; and they will try to control the means of mental communication and verbal discussion. And owing to the dreadful nature of modern warfare, of which we had

a sharp premonition ourselves this autumn, it seems unlikely, considering the closeness of the range and the disparity of strength between these Central and East-European countries and Germany, that any of them, however much they may resent the system into which she is gradually working them, will venture to challenge her by opposing her by force of arms.

Now, those, I think, are the " pros " of Germany's prospects in Eastern Europe. Of course there are the " cons " as well, some of them quite formidable ones.

To begin with, Germany's present superiority in numbers is being diminished by the higher rate of increase of population in countries to the east of her. In a similar way, I suppose, the social and economic preponderance that she has over them is being reduced by the relative rapidity with which, since the War, those same countries have been developing their social and economic life. Then one might ask whether Germany would in fact be able to exercise any effective military and economic control over the activities of these countries without seriously interfering in their internal affairs and arousing the resentment that such interference would necessarily produce. There I would say that I suppose she will try to interfere in their internal affairs, not directly, but indirectly through native governing elements which, for the sake of keeping their position in their own countries, might, as I hinted before, play Germany's game by giving her an invisible control and domination.

Another point is that all the countries in this area, however bitterly they may quarrel with each other, have perhaps one thing in common in their common dislike and fear of Germany. And the mutual antagonisms between them cut both ways. While it is true that these make it possible for Germany to play off these countries against each other, at the same time they make it difficult for Germany to do that and still remain friends with all these countries alike. I mean, it would be difficult for Germany at the same time to gratify both Hungary and Czechoslovakia, or both Hungary and Roumania. They would be a difficult team to drive. Then there is nationalism. Owing to the rapid progress of every European nation towards political maturity, together with the gradual accentuation of nationalism throughout the world, the strength of national feeling in Eastern Europe has perhaps already risen to a pitch at which these nations will insist on real independence and will refuse to be content with a mere existence on sufferance under Germany's shadow. They have struggled hard against German domination in the past—Magyars, Italians,

and Slavs have all done that—and they have had a taste of self-government in the last twenty years which is likely to make them more than ever unwilling to acquiesce in foreign domination. We have seen nationalism operating as a demonic force in the resurgence of Germany; and if some of these other nations are hit as hard by Germany now as Germany herself was hit by us after the War, it is possible that the same demonic reaction might show itself there too and might make things difficult for Germany. And even if Germany were to succeed in bringing neighbouring countries into some kind of German system, perhaps there is still a possibility that, within this circle, a counter group, headed by Italy and Poland, might form itself with the object of keeping German preponderance within limits. Already there has been a struggle over Carpatho-Ukraine in which Hungary, Poland and Italy have jointly opposed Germany. In this instance Germany has won.

Again, the governing elements in some of these countries are very unpopular, not least because they are inclined to play the German game. They might be overthrown by popular upheavals, and Germany would be the loser thereby. And supposing that the resentment against German domination in Central and Eastern Europe did rise to a pitch at which these countries came to think of Germany first and foremost as the threat to their liberties, their attitude towards the Soviet Union might change correspondingly. From having seemed a menace, anyway to the governing element in those countries, Russia might come to be thought of as a rallying-point, and even looked to as a saviour. Remember the part played by Russia, immediately after the Great War, in the war of 1919–22 between Turkey and the Allied and Associated Powers. Turkey, you may remember, was far in advance of Germany in defying us successfully. She did it sixteen years earlier, and one of the things which fortified her was that behind her she had the support of the Russian Power. There could be similar Russian support for all the East-European countries from the Black Sea to the Baltic; and if the pressure from Germany became very great, they might receive most effective comfort and support from this very great Russian Power to the east of them. Russia is certainly a considerable Power, and she is a Power with almost unlimited stretches of territory in the East-European countries' rear, so that a cooperation between them and Russia would give them room to manœuvre, so to speak.

Last but not least, one may doubt whether the German

national temperament and political tradition, as seen both in Prussianism and in the very different thing called National-Socialism, would be compatible with the establishment of German predominance in Central and Eastern Europe by the only way in which that could be accomplished satisfactorily; that is, by using the minimum of force and the maximum of persuasion. Many of the cards which I have mentioned as being in Germany's hands are in themselves very strong, but they can only be played by a player who is tactful and moderate. If it were the United States dealing with Latin America or Great Britain with the Dominions, I should say that those cards were very good cards; but, after all, the temperamental factor does come into play as well as the actual cards; and, good as those cards are, Germany may not be able to play them successfully. I believe that this psychological point is the chief " con " against Germany's prospects in Central Europe. At the same time I will say frankly that personally, trying to assess the " pros " and " cons "—this is obviously just a guess, but my personal expectation is that Germany *will* succeed in building up this immense Central Europe and in knitting the whole of Europe that lies between the eastern frontier of France and the western frontier of Russia into a system more or less under her control; and I think she will accomplish that with less opposition and friction than we might expect. Now I am sure that this is a very controversial suggestion and that it will arouse discussion in this room after this paper.

I also believe, though I will not go into the " pros " and " cons " of that, that the Axis will not break. Of course the German plan depends on the Axis not breaking, because it is the Axis which insulates all this part of Europe from us in the West and gives Germany elbow room to work Central and Eastern Europe into her system if she can. If the Axis did break, it might be rather serious for German plans in Central and Eastern Europe. My own expectation is that it will not break. I do not mean by that that the Italians love the Germans or wish to be in the Axis, but I do not think they will be able to break out of it at this stage.

Another question : Has " the balance of power " been upset? I took it for granted in my first version that " the balance of power " *had* been upset, but my critics immediately began to question whether in fact such a thing had ever existed, whether the term had any meaning. I am rather suspicious of that criticism. If my apple-cart is upset and I am very distressed at the apples being spilt, and then a philosopher proves to me *a priori* that such a thing as an apple-cart could not possibly have existed,

of course I feel comforted because, if a thing cannot exist, it also cannot be upset. That is comforting; I can go to sleep again. All the same, I rather mistrust this argument that such a thing as "the balance of power" does not exist and that, therefore, there cannot be a question of its having been upset. However, as the phrase is apparently contentious and ambiguous, let us drop it and ask ourselves, in more concrete terms: Is the situation in Europe at the present moment the kind of situation which in the past Great Britain has taken active steps to prevent or, if it has arisen, to undo? Now there is an argument which suggests that the present position is not of that kind. Some people say that Europe has now merely reverted to normal conditions. The Germans in various political combinations dominated Central Europe for centuries, and the absence of German domination in the countries east of Germany during the last twenty years is the exception rather than the rule. This year there has been nothing more than a reversion to the normal situation; what was exceptional was the influence of France in Eastern Europe during the last twenty years, and we could not expect that to last. It is pointed out that after the last great wars, the Napoleonic wars, Austria in a similar way had influence all over Europe between 1815 and 1848, but that this was unnatural and did not last—it was just a kind of hang-over from the victory of the Allies at the end of the Napoleonic wars. When the Austrian hegemony collapsed in the middle of the nineteenth century, just as the French hegemony is collapsing now, nothing very terrible happened. That is the argument; but I personally do not think that this argument will stand examination, because, to begin with, the word "Germans" is ambiguous. It is true that "Germans," or "the Germans," or "some Germans" were predominant in Central and Eastern Europe in centuries past, and it is also true that this predominance carried with it no serious threat to the liberties of Europe as a whole; but the reason was that, during those centuries, Germany was politically disunited, instead of being concentrated, as now, in a single pan-German State. Prussia dominated the northern-most strip; Saxony dominated the next bit and sometimes got her King made King of Poland; Austria dominated the Danube valley. There were, in fact, a number of relatively weak German States which were at odds with each other and which severally dominated different bits of Eastern Europe and often fought with each other over the domination of those bits. Naturally this was not a threat to the liberty of Europe as a whole; and moreover during the later

pre-War years Austria, which was the dominant German State in South-Eastern Europe, was being more and more gravely weakened owing to the clash between her constitution and the rise of the idea of nationality. Again, the German States were divided before the War by the dynastic principle; it was not only a case of the Habsburg dynasty versus the Hohenzollern; inside the German Reich there were also a number of minor dynasties which were still struggling to hold their own against the Hohenzollern suzerainty. Well, to-day the Central Europe that a united German State of eighty million Germans is trying to work into her system is a Central Europe that has been re-articulated into national units, and Hitler is working not against this new map of Central Europe, but with it and through it. The dynasties have gone, and, with them, all the other traditional divisions between one part of the German people and another; and the completion of German national unity under Herr Hitler's régime will now reinforce, I should say, the predominance of the German nation over its non-German associates in Central Europe. In the pre-War Triple Alliance, in which Germany and Austria were almost equal partners, with the German Reich only slightly predominant, and Italy a third—though definitely a junior—partner, there was certainly a very great dispersion and division of power. Now, on the other hand, there is a great concentration of power. The Greater German Reich, with its eighty millions, is vastly more powerful than Italy or Poland or even than all Germany's neighbours in Central and Eastern Europe put together; and that immense concentration of power in the hands of eighty millions, which is really power concentrated in the hands of a few men culminating in Herr Hitler, surely makes the present German domination of Central and Eastern Europe a new and very different thing which is not at all comparable to the old-fashioned domination of bits of Eastern Europe by a number of relatively small and mutually hostile German States. So in my view the comforting idea that we are only going back to what existed in the past, though pleasant to entertain, does not hold water.

Now the policy of Great Britain in the past, say towards Louis XIV or towards Napoleon or towards the Kaiser in the last war, does, I should say, show that we have generally resisted the domination of Europe by a single Power when there seemed a probability that that Power would use its domination of the Continent to threaten the independence of the British Isles and the interests of Great Britain overseas. The predominance of

France in Europe between 1919 and 1938 obviously did not involve any threat of that kind to us, and therefore, though we often deplored French policy during this period and did—I will not say "our best," because we have been half-hearted in almost everything that we have done during the last twenty years, but did at any rate do something to try to modify it, we never thought of attempting to depose France from her position. But surely the domination of Germany in Eastern Europe is a very different thing from the very mild and easily discarded influence of France during the last twenty years, and it confronts us, I should say, with a very different problem.

Then let me turn to the means available now to our Government and our nation for carrying out any policy. Before we discuss policy we must review the means at our disposal for carrying out any policy at all, because geographically, and in respect of the distribution and density of population, we start now very clearly with a grave disadvantage as regards bombardment from the air. I suppose time is on our side as far as passive defence measures against air attack are concerned, because I understand that passive defence measures are not relative but are absolute. It is not a question of every child in England having fifty gas masks against every child in Germany having fifty-one; there is an absolute standard; and when you have provided the best protection that you can for your total population, taking into account the number of cities and the distribution of the population, you have achieved some measure of passive defence irrespective of what the other man has done. The competitive proportionate element does not seem to come into that, and, on this showing, it would seem that, with time and energy, we could make large improvements in our passive defence in this country, and this would, I suppose, be an essential starting-point for any positive policy at all. Then we come to the question of strength for active resistance, which is necessarily competitive and relative, and obviously this is a much harder problem to grapple with, because there are so many more unknown quantities in it. Take the resources for manufacturing armaments in the home territories of Great Britain and France as compared with those that Germany and Italy can command in their home territories. Which has the greater resources mobilisable for war purposes on the long-term view? I suppose England and France have the advantage here almost certainly, but then there is the short-term view to be considered as well. And then, are the supplementary resources for manufacturing armaments which we can draw from overseas greater

than those that Germany can draw from the great Central and East-European region which is now, as I myself believe, at her disposal? What I myself believe is that Germany will, in quite a short time, be able to convert into German air power the oil of Roumania and the grain of Roumania and the grain of Hungary, not to speak of the heavy industries of Czechoslovakia. Can we draw from North America and other overseas regions resources comparable to those? What is the balance of the forces that we can each draw from territories which are not our home territories? Of course it may be assumed that her present sea-power helps Great Britain and hinders Germany in the transport of resources from overseas. But how far has sea-power been reduced in its efficacy by the development of air warfare? And how soon, if at all, could Germany succeed, thanks to dominating the Continent of Europe, in outbuilding the British Navy while still retaining her predominance in the air and on land?

Then one comes to the moral factors, which, I believe, are going to be much more decisive than the material ones. As between the rival systems of voluntary service, which is the essence of our political life here, and regimentation, which is the essence of the Fascist and Nazi systems, which, on a long view and again on a short view, is the better system in preparing for a war? Is a bigger result likely to be obtained from the system of regimentation or from the system of voluntary service, assuming that both are developed to their fullest capacity? That question confronts us now, because, as I see it, the Government have virtually told us that we have reached the limits of expansion of armaments on our normal English system in which trade union rules are observed, in which the manufacturer is free to work for the most profitable market, and in which the private citizen, say the chemist at the corner-shop or the man in an office, is not suddenly carried off by the police to work in his shirt-sleeves on a Siegfried Line for an unlimited number of weeks or months without knowing where he is going or having any say of his own in whether he is to be carried off or not. We are perhaps on the brink of having to go in for that kind of regimentation if we want to compete seriously with Germany in offensive armaments. I do not say that we should go in for it to that degree at once; I dare say we should never reach that degree at all; but we are now at a point where we might have to begin to go in for it. Are we going to do that? It is a question that will very soon have to be decided, because on that will largely depend our policy. Are we going to go in for an unlimited competition in rearmament

with Germany? If we answer that question in the affirmative, then we must be prepared to use the method of regimentation. On the other hand, is Germany already approaching the point where she will be using the maximum of her material and financial resources? Is she also approaching the point where she will have made the fullest possible call upon her psychic resources—the enthusiasm and the nervous energy of her people? Has Hitler, in securing satisfaction for German grievances—as he has secured this to a large extent in reuniting the German nation or, rather, uniting them for the first time under one government—in achieving that has he, in so far, diminished the willingness of his own people to go to war? They, too, did not seem very willing to go to war in September. Or, on the other hand, has he increased his own prestige and given his people, or anyway his own band of followers, greater confidence in the pursuit of an aggressive policy? What has been happening in the last days looks as if the latter were the truth. Then there is the weakness due to the undoubted division of feeling, opinion and purpose in Germany. How does this compare with the almost paralysing present divisions over the past and future conduct of foreign affairs in Great Britain? We know that a latent opposition exists in both the "totalitarian" countries, but this is less easy to estimate than the divisions here, because it has to remain hidden, whereas our divisions are in the open for all to see.

Then let me come last of all to the question of the objectives of foreign policy. When one talks of the objectives of foreign policy one has to think of two things: what a country wants for itself, and what it wants for the world as a whole. The second question cannot be left out, because no nation is insulated. Perhaps if the United Kingdom were Iceland or Tibet she could think purely of what lies within her own frontiers and close her eyes to the state of the world as a whole; but the British Empire cannot be separated or disentangled from the world. Our very greatness in the past, and the nature of that greatness, has meant that the British Empire has ramified through all the world, and the world through the British Empire, with the result that to-day the climate of the rest of the world is a matter of life and death to the British Empire. Look at it on the map. You cannot cut that sprawling red patchwork out of the rest of the world and insulate it. In my belief, not only is the general state of the world a matter of vital concern to the British Empire, but the most vital point of all is that, if we cannot produce in the world as a whole a state of affairs which is propitious to the British Empire,

then the British Empire cannot live. You cannot have an ice age in the rest of the world and a nice pleasant steam-heated room in one building labelled the British Empire. If there is an ice age in the rest of the world, then we too shall freeze. You cannot cut a pound of flesh out of the rest of the world without the British Empire bleeding. A pound of flesh was cut out of Czechoslovakia the other day, and I think a good deal of the life-blood of the British Empire flowed from that wound, though the flesh was not cut out of our body, but out of somebody else's body.

Well, now I will speak first of our immediate aims for ourselves; and then I will come to our aims for the world as a whole. I think the most striking thing, if we catalogue our aims for ourselves, is their incompatibility with each other. We want to make ourselves as secure as possible as rapidly as possible against air attack. We want, if possible, to avoid sinking to the position of a second-rate Power—though I do not know whether that is a universal feeling in this country; for I have heard a number of people say that, if only we could wake up to find ourselves in the position of Holland or Sweden, how happy we should be; the difficulty was in getting there, but, if we *could* get there, what a relief! But on the whole I think people in general in the United Kingdom still want to maintain the position of a Great Power. There was, by the way, a hint last week from the Government, about the air programme, which seemed to imply that they were not really meaning to aim at parity in the air with Germany. That comes very near to saying that we are going to abdicate from our position as a Great Power, if that really is anything like the Government's intention. I do not know whether I have interpreted them right, but I certainly thought that *The Times* took the Government's meaning in that sense. A further question that arises, supposing that we do want to abdicate, is whether in fact we can do so. We cannot do so and at the same time keep up the present standard of living of our people; and I think there is still an almost universal desire on the part of all classes in this country to keep their present standard of living and way of life. At the same time, I fancy that the wish to keep up our present material standard of living is also incompatible with remaining a Great Power, and probably incompatible even with achieving security against air attack. I should think that achieving any really effective security against air attack would lead us into quite deep financial waters and would lower our material standard of living appreciably, even if we did not go beyond that into the active competition with German armaments

which we shall have to attempt if we wish to remain a Great Power.

Then there are our aims for the world, assuming my general postulate that the state of the world is of vital moment to the British Empire. I think one aim for the world on which there is general agreement in this country is to remove the uncertainty that has been brought into the daily life of the individual in all countries by the constant prospect of a "totalitarian" war, in which a knife may at any moment cut short every activity which we have been brought up to carry on. I believe that this is a very important point. The feeling here and in almost all the other civilised countries in the world is that it is quite impossible to carry on the complicated civilised life to which we are all accustomed in an atmosphere of complete uncertainty as to the future. Obviously we cannot live like that, because our complicated civilisation depends essentially on being able to plan and to look far ahead—a hundred years ahead in many things. To-day we cannot look a year or even a few months ahead. We may be able to carry on for a little time like that, but not permanently. I believe that this is a very important point, because I believe that the yearning, and the necessity, for certainty will be so great that the world may be prepared to purchase certainty at a very high price, by which I mean purchasing it at the price of putting up with it in the disagreeable form—a very unpleasant and brutal form—of the ascendancy of some single Power. This would put an end to the uncertainty, because, if one Power were unchallengeably dominant, then there could not be war, and you would know where you were, although it might be a very unpleasant place in which you would find yourself.

Another general aim, which may be incompatible with the preceding one, is that of preventing the rise to predominance in Europe of an aggressive, restless, anti-democratic military Power; but there I think there is a considerable division of opinion in this country. Some people think that we could safely allow such a Power to attain predominance in Europe, provided that we made an attack on ourselves costly and hazardous and at the same time made concessions in three directions: first, of course, at the expense of other people. To-day we English people wear a medal with "Peace" inscribed on it, but this peace-medal has some bars, and, when we look closely, we can see on the top bar engraved "Manchuria," on the next "Abyssinia," on the next "Spain," and then "China" and "Czechoslovakia." So far, all the bars to our peace-medal have been cast out of other people's coin.

But, of course, we realise that one day a bill will come in to us ourselves, and that sooner or later we shall have to make concessions at the expense of our own material interests: that is the meaning of " the colonial question." And then some people in this country are perhaps contemplating making concessions at the expense of our British non-material interests, our traditional ideals, in the sense of abandoning all British attempts to shape world affairs, and allowing other people, who still have ambitions to shape the world, to have a free hand so long as they leave us British alone. I think we may find that our traditional ideals—the ideals which make other people say that we are busybodies in the world, self-righteous and interfering—I think we may find that these tiresome ideals are not luxuries which we can afford to drop, but that they represent our deep intuitive awareness of the fact that, unless the world enjoys our sort of social and moral climate, our Kingdom and Commonwealth and Empire cannot exist. If on this account it is true that we have a vital interest in the general state of the world, then those ideals are a much more vital interest than any material things that you can handle or put on the map. Personally, I believe that those ideals, however ambitious they may be, are of vital importance in our policy for the world as a whole. For us, I believe, the most vital necessity is to shape the international order as far as possible in accordance with these ideals of the democratic rule of law, as contrasted with the kind of order that might, and perhaps will, be imposed by a dominant military Power. There is a most urgent need to-day for some kind of world order; and while, of course, to be lasting, a world order must have some moral foundation, it does not seem that any moral bond still holds between the Great Powers in the world of 1938; and so to me it seems likely that the establishment of order in the modern world may be achieved mainly by force, or by an extreme threat of force which will be equivalent to force. If you look at the history of the Roman Empire, you can see that a world order of this pagan kind is both unsatisfactory and ephemeral; yet, for a very urgent necessity, people will pay a very high price. So I think that, in Europe at any rate, it is not impossible that men and women, rather than see Europe wrecked, as we thought it was going to be wrecked a month or two ago, may be willing to accept peace—as the Czechs (a tough, dogged people) accepted peace this autumn—in the form of a far-reaching subjection to the harsh and brutal dictatorship that now weighs on Germany. Such a surrender would be vehemently resisted by some elements in this country. What is the real

strength of those elements now? Will they sweep the country or are they powerless? I do not know. I do not know whether anyone in this room knows. It is one of the unknown quantities.

Then there is another factor which one has to handle carefully because it arouses strong feelings. Perhaps I might put what I mean in this way: there are people in Great Britain who are anxious to avoid an overthrow of the existing social order in the world out of concern for repercussions which such an upheaval might have in Great Britain itself. That is an important issue as well as a delicate one, because there is a very considerable body of opinion in this country and—as I know from letters which I have recently received—also in North America, in both Canada and the United States, which sincerely believes that the recent policy of the Government of this country was to an appreciable extent governed by a fear that, if we opposed, and came into headlong collision with, the Fascist Powers, we should be playing into the hands of the Communists. As some of my North American correspondents rather brutally put it, the people now in power in this country are suspect, in some quarters, of having sacrificed national interests to class interests. That is, as I see it, a very explosive question and at the same time a very important one. I meant to read you extracts from some of these North American letters; time forbids; so I can only say that I am myself convinced that the attitude of North America (Canada included) towards us is going to be determined to a large extent by what they are going to think, in the rather near future, on that question. The imputation may be a great libel against the present governing class in England, but in practical politics it is not enough to ask: "Is it true?" One must go on to ask: "Is it going to be believed?" "If it is untrue, can it be refuted?" If this particular allegation is believed, it may, I fear, determine the policy of North America in ways very unfortunate for us.

Then, in conclusion, I come to things purely personal to myself. I will confess that the question that really troubles me is whether we, as a nation, are perhaps now missing what an American statesman once called his country's "manifest destiny," because I think we can see from the history of the last century or so what our British destiny was. Who invented the great things of the modern world? Who invented Democracy? It happened first in Great Britain. Who invented Industrialism, an ugly thing but a great thing all the same? It happened first in Great Britain. What conditions of life does a democratic and industrial society require? It requires a world-wide system of law and order.

What was the next thing that the British did after inventing Democracy and Industrialism? We went out into the world in the wake of these institutions that we had created; we began in the nineteenth century to organise the world into an orderly world unity; and we set about this in perhaps the most civilised way in which it could be done. There are many blots on what we did, many injustices, much use of force, but I should say that on the whole we did it with the minimum of force and the maximum of persuasion. After we had been building up this world order for a hundred years, the War suddenly threatened the whole of what we had been building, and in that emergency we rose to the occasion and won the War. After that, it was obvious that we had either to put our British ideas and system through in the world, or else we had got to drop all that we had been trying to do. Now it was also obvious that we could not any longer hope to put this through by ourselves; the *Pax Britannica* alone could no longer carry the whole weight of maintaining law and order in the world; so, very wisely I think, and quite in the British tradition, we decided after the War to put the *Pax Britannica* into commission, and the League of Nations was in a sense an attempt by us and our associates in the War, the people who thought like us and had kindred ideas, to maintain and confirm the nineteenth-century *Pax Britannica* in this way. I believe that this was our only chance of survival, and I think that, if we have really let that drop, then we shall inevitably fall with it. And I also think that if, whether for a good reason or for a bad reason, we now do not want to put the world in order ourselves, we have got to stand aside and let more beastly people by more brutal methods establish a more tyrannical kind of order in the world. You cannot refuse to do it yourself and at the same time stand in the way of someone else. But let us try to look beyond that. I think the really fundamental question to-day is: Are we going to give up the wealth and power which we have acquired during the last century or so, either because we are too good and too civilised to do the things necessary in order to preserve that wealth and power and use them for perhaps good purposes, or else because we are too effete and too poor-spirited to use them either for good purposes or for bad? It seems to me that there are really only two possible ideals for Mankind. There is a passage in the *De Civitate Dei*, comparing the earthly city and the heavenly city, in which St. Augustine points out that the citizens of the heavenly city have something to learn from the citizens of the earthly city, which for him is represented by the Roman Empire.

He shows how the Romans, brutal and avaricious as they were, had at least the courage of their convictions; how they had the will and the capacity to use the power which they had acquired for constructive ends, and the hardihood and the fortitude to do the things which were necessary in order to get and keep power for such purposes. Now of course that is not the highest ideal; it is quite another ideal from that of the heavenly city with which St. Augustine is principally concerned; but it is at any rate an ideal of a sort; and if we are really now thinking of giving up our British attempt to establish the earthly city—that constructive, orderly, earthly commonwealth which the Romans did establish in their day—then God help us if we miss the heavenly city too. If a man is not going to be a man of power exercising his power constructively in the world, then he must aim at being a man of thought or art, or at being a saint. But a man or a country that gives up the one ideal without embracing the other is irretrievably lost.

Summary of Discussion

LORD RANKEILLOUR said that it was difficult to speak at the moment without being influenced by the horrible events which had taken place in Germany during the last few days. At the same time emotion should not be allowed to overcome reason, and the act of a wretched youth in Paris must not be allowed to set Europe in a blaze as the murder at Sarajevo had done in 1914.

He would like to deal with the questions of Manchuria, Abyssinia, Spain and Czechoslovakia mentioned by the lecturer, but time did not permit, nor the injunction that discussion should be confined to the present and future, not the past.

Germany could go in no safer direction than South-East. Firstly from the point of view of the British Empire, this would be the least harmful sphere for German expansion, secondly from their own point of view it was the safest direction because there were no immediate obstacles to their progress. Really the German absorption of Austria and parts of Czechoslovakia had not made a great deal of difference, and had been in any case inevitable.

Under these circumstances there was no reason why Great Britain should give up her mission. The line drawn by the lecturer from the Dutch, Belgian and French boundary, however much the Germans might expand to the South-East, was permanently defensible, leaving Scandinavia aside.

However, it was very doubtful whether Germany would try to mop up the whole of South-Eastern Europe. Did she wish to

take up the *damnosa hæreditas* of the old Austro-Hungarian Empire? Did she wish to try to absorb all those different races among whom were millions of indigestible Slavs, and also many Hungarians, non-Aryans? If she did she would suffer the fate of Charles XII on his excursions into South-Eastern Europe.

He had lived long enough to outlive many glaring chimeras of rack and ruin. He remembered the time when Russia was going to gobble up everything from Constantinople to Calcutta. She had not done so. Then France had been going to extend a belt right across Africa, cutting off Great Britain and establishing a permanent African dominion east and west from sea to sea. This had ended in poor Colonel Marchaud sitting on a mud bank in 1898 and Lord Kitchener giving him a drink! He did not believe in these great world prophecies. Also, it was necessary to-day to look beyond Europe. Even in the eighteenth and nineteenth centuries this had been necessary both for France and Great Britain, and to-day it was even more essential to their security. Their great empires should be sufficient for their needs and their energies. He did not believe in Great Britain trying to civilise the world by force, and so impose her ideals upon others. She should try to work them out herself, and let those who wished to imitate her afterwards.

He looked upon the settlement at Munich not only with complacency, but with pride.

MR. VICTOR RAIKES, M.P., said that he differed from the lecturer in that he did not regard Munich as having been a disaster, also the latter had seemed to think that, unless Great Britain did something very active and positive, the present régime in Germany would last indefinitely. He did not agree with this view.

Germany could not expand in South-Eastern Europe without treading on the corns of her ally Italy. The Rome–Berlin Axis had never been a natural axis. It had been forged by the Abyssinian War, and it was doubtful whether without this war it ever would have existed. The ordinary Italian was a strong Catholic living under a Catholic monarchy. Germany was neither a monarchy nor was she very Catholic, particularly so far as her leaders were concerned. If Germany did pursue her path from Czechoslovakia down through Hungary and Yugoslavia economically and financially, she would re-forge the Stresa Front more rapidly than by any other means. Then the colonial aims of Italy had been mentioned with those of Poland. It was probable that Italy's present partially fulfilled colonial expansion would

occupy her enough for the next twenty years to make her unwilling to put up with inconvenient German action in South-Eastern Europe in exchange for yet another problematical Empire in Africa. German expansion into South-Eastern Europe would probably play into the hands of those who wished to avoid German domination on the continent of Europe. If she were to turn towards Latvia, Lithuania and towards Russia, the story might be different, but this was another problem.

Concerning the future of the Nazi State, supposing the very worst, that at Munich the leaders of Germany had been completely dishonest in their expression of a desire for friendship with England, even so a war postponed was often a war averted altogether. The persecution of the Jews now taking place in Germany was not a manifestation of Hitler's increased prestige through his coup in Czechoslovakia. Increased persecution always meant that the ruler in the particular country was using it as a smoke screen to hide divergencies of opinion at home. There were very great divisions among the Nazi leaders in Germany. Divisions between Goebbels and Himmler and Goering were splitting Germany daily. The more they increased their persecution, whether of Catholics, Jews or Protestants, the more they undermined their own State. The one dangerous thing would be to take up the attitude of the glorious British crusader because it would be the one thing needed to unite those countries which would otherwise break up of their own weakness. National-Socialism was only one of those short cuts to prosperity. Dictatorships had been seen to come and go before. Given sufficient rope they would hang themselves, but if others were inclined to be too precipitate, to assume war to be inevitable, and therefore better early than late, then they would put their own heads into the noose which otherwise would fit necks far more suited to be broken.

Concerning rearmament Great Britain could not pursue an unlimited programme by land, sea and air without lowering the general standard of living in which the country had existed for many years. She should therefore work on the lines which were vitally important to her, which were Air Defence and the Navy. As far as the former was concerned, it should be stated in Germany's favour that she had so far scrupulously observed the Anglo-German Naval Agreement. In the air there was a great deal to be said for the policy being pursued at the moment, the policy of speeding up the defence arm, the production of fighter 'planes as against bomber 'planes. They were quicker to build,

and Great Britain was at present building the fastest in the world. If it were possible to show the dictators that they could not deal a knock-out blow to the democracies, the first step would have been taken towards peace. The dictators relied on the knock-out blow. They knew that if the war degenerated into a long war they would not be dictators at the end, but the slaves of their General Staffs from the moment the first shot was fired. If, therefore, the passive defence of the country could be effectively tackled and the dictators given every opportunity of hanging themselves, the British Empire might yet give a lead to the world long after the rise of Hitler had been banished to the limbo of forgotten things.

MR. GRAHAM HUTTON said that, as to the Anglo-German Naval Agreement, one of the most important points in the lecturer's remarkably clear analysis had been whether Germany would build up South-Eastern Europe for peace or for war. In the latter event, of what value was the British Navy now, on which over one thousand five hundred million pounds had been spent since 1919, and which could only be used, in a war with Germany, to blockade her by sea? If Germany were successful in building up and controlling South-Eastern Europe, she would still need jute, rubber, coffee and perhaps in war-time even oil. Iron ore could be got from Scandinavia. The British Navy would not be able to get into the Baltic. If able to control the oil and other resources of South-Eastern Europe, Germany would be self-sufficient for at least two years. Two years of modern war was more than he could contemplate with equanimity.

He thought Germany would assume control of South-Eastern Europe. It was true that eleven million Magyars and roughly fifty-five million Slavs would not take kindly to a Prussian jack-boot. But they were not being asked to take to it kindly. Why, again, should it be presumed, because past crises had been weathered when London could *not* be bombed from the air, that the present crisis would be similarly passed now that London could be so bombed? It was not whether one chose to fight, but whether one chose to surrender diplomatic position after diplomatic position before being forced to fight.

There was, for instance, a colonial issue. The Rome–Berlin Axis would not break as long as both Germany and Italy had colonial ambitions. What was British policy to be in reply to a demand for colonies during the next twelve months? If Great Britain were not willing to hand over lesser breeds without the

Law because another Law was stronger than herself, what could her policy be? The Navy would be useless for blockade under two years. The Air arm would not be ready. France was lamentably weak and in moral and political disarray.

Some points were encouraging. There were in France and Great Britain eighty-seven million people as against a hundred and twenty-five millions in Germany and Italy. Suppose the Axis held together for war purposes as it did for diplomatic purposes (now called " peace "), and suppose their combined weight were thrown against France and Great Britain with no diversion to the East and South-East of Germany, then this would not be so bad as long as France and Great Britain could stand the aerial battering, hold the land defences, and control the Atlantic routes—which they would do as long as the British Navy remained supreme. It would be a war of attrition. But, if there were now a colonial re-settlement and Germany obtained overseas harbours, would the present régime in Germany continue to observe the 35 per cent. ratio of the much-vaunted Anglo-German Naval Agreement? Even supposing this were still observed, what would the result in the air be? Great Britain could obtain her supplies from the United States and Canada as long as the routes remained open, but of what use would this be if the ships could not be unloaded at the ports? It would not be very easy to unload on the western shores of either France or Great Britain if the passive defence of those countries could ensure the comparative safety of the civilian population, but could not ensure the safe conduct of normal business in time of war. However, France and Great Britain would be able to keep open the Atlantic routes for at least twelve months, perhaps for two or three years. They would still have greater material resources than Germany would be able to obtain in the next three years from her new dominion in South-Eastern Europe. Thirdly, together France and Britain had still sufficient man-power to be able to withstand land attacks and sea attacks in the west of Europe. They would remain in this position as long as the ratio of offensive to defensive strength in modern warfare was as great as four or perhaps even six to one. The Germans and Italians together did not enjoy a ratio of four to one as yet. The air was the vital question.

Finally, as to the Slavs and Magyars in South-Eastern Europe, their opinions would not be asked by Germany as long as the present régime in Germany existed. It would, he thought, continue to exist for a very long time. It would not dissolve, as previous dictatorships had dissolved in the past; because in

those days London could not be bombed from the air, and because to-day there was no possible technique of revolution in a totalitarian State of the type of Germany or Italy. It was impossible to revolt against modern machine guns; and those people over the age of thirty in Italy and Germany could not hold their own against the irresponsible masses under thirty. The policy of Great Britain for the next eighteen months should be based upon the assumption that during that time nothing would upset the régime in Germany, and that the Powers of South-Eastern Europe would be forced to fall in with German wishes as Hungary was being forced to do that very week.

PROFESSOR C. K. WEBSTER said that concerning the policy of allowing the dictatorships to go their way, he remembered a dictator named Napoleon. A stage had now been reached which compared with the Napoleonic régime. No one knew as yet whether Hitler would be a Bismarck or a Napoleon, but it was necessary to reckon with either possibility.

Concerning the view that South-Eastern Europe was the safest direction for German expansion from the point of view of the British Empire, it should be remembered that expansion was possible beyond Constantinople and that to-day the tempo was quick. Already Great Britain had to take a new view of the Middle East, and a threat to her communications in this direction was the one thing she had always worked to avoid. The extension of German domination from the Baltic to the Dardanelles would be a serious matter for the British Empire.

MR. ROBERT STOKES said that he considered that the lecturer had exaggerated the degree of solidarity between Italy and Germany. Friends of his just back from Italy had told him that Hitler was very unpopular in that country. In that case there was surely some inconsistency between two lines of thought developed during the discussion. The first was that Germany would be able, within the next eighteen months, to develop rapidly in South-Eastern Europe; the second was that she would at the same time be able to extract from Great Britain, under threat of war, some part of her colonial Empire. If she developed, as she probably would, in South-Eastern Europe—attracted mainly by the oil wells in Roumania and the power in the air which these would ultimately give her—surely she could not at the same time put forward colonial demands backed by a real threat of war? Germany's expansion in South-Eastern Europe

must give Great Britain time to increase her strength and to formulate a definite plan so as to be ready for this demand when it came.

It was quite true that the Empire could not be cut off from the rest of the world, but at the same time surely the Empire and not the world should be Great Britain's primary concern. If she concentrated her attention upon the Empire she would find her moral forces greatly increased as against the forces working in Germany. Concentration upon such Imperial principles or ideals as that of trusteeship for backward races, the Dual Mandate in tropical Africa, or indirect rule in Africa and the East, would build up something real in the way of moral force to set in the moral balance sheet against the ideals of the new Germany. Finally, surely from the moral angle there was something to be said for the fact that Great Britain remained a Christian nation?

MAJOR F. HEYWOOD said that there was one way in which Germany would be able to press for colonies. She had two very small neighbours, who both possessed colonies, Belgium and Holland. If in the spring Germany were to hold "manœuvres" on the Belgian frontier and to demand the mandated territory held by Belgium on the eastern end of the Congo, backing her demand by a threat of force, would Great Britain advise Belgium to give in as she had advised Czechoslovakia last September?

A MEMBER said that he would like to refer to a letter which he had received a few days ago from the secretary of a German friend and colleague. She said that she and a great many German men and women, among whom were certainly not the worst, shared a deep gratitude for the effort of Mr. Chamberlain in the cause of peace, seeing nothing behind his action but the honest desire to save all from the greatest misfortune. He and no other should receive the next Nobel Peace Prize. The repercussions which British policy was having in Germany should not be forgotten. The German people were not happy under what was now happening, and if the visit of Mr. Chamberlain to Munich had made these forces realise that there were those outside Germany to whom they could look, then even Munich, which was regrettable from many points of view, would not have been in vain. He had lunched that day with a German woman who was an Aryan back to the sixth generation, but who had left Germany because she could not stand it any longer. British policy should be directed to making such forces in Germany realise that they

did not stand alone, so that when Great Britain was challenged, she might be challenged upon an issue upon which the German people would not feel bound to follow Hitler as they had done up till the present. A great deal had been said about South-Eastern Europe. Was Germany going to address herself to South-Eastern Europe next? The great and awful mechanism of the controlled Nazi Press had been turned during the last few days not against these Powers, but against Great Britain. This was because Great Britain did stand for a great deal to the average German, and their propaganda was now at work to undermine this. A German friend had written to him saying that he had read in the German extracts from the British Press that Britain had only given up the idea of war at Munich because she was not ready to fight. He had written back saying that this was not the truth at all, that the German Government knew that Mr. Chamberlain was the most popular man in Germany, and were determined that this should not continue. British policy should remember this fact and take it into account.

MR. WILSON HARRIS said that he did not wish to appear either cynical or sceptical, but he could not see why any German should not have sent through the post the letter he had just heard, or even why any German should not have printed it in the newspapers. Given the situation at Munich, Mr. Chamberlain could have taken no course except the one he had taken. But what in fact had this course meant? It had meant giving to Germany without her needing to strike a blow everything for which Herr Hitler, as he had told Mr. Chamberlain, had been willing to hurl her into a war. Every German should regard Mr. Chamberlain as the ideal peacemaker and with the profoundest gratitude.

MR. EMANUEL said that Europe did not end at the Pyrenees. It was impossible to separate the problem of German domination in Central Europe and the Fascist domination now being built up in Spain. The pathetic Conservative belief that the "gallant and independent" Spaniards would throw off their German and Italian experts and masters was on a par with the pathetic belief that the "gallant and independent" Magyars and Slavs would be able to fight against the machine-guns of the Nazi Party. Spain was a further example, or so it seemed to the younger generation who would have to do the fighting—was even a paramount example of the betrayal of national interests to class interests by the politicians of Great Britain. Munich was,

according to many, a case of needs must. The Anglo-Italian Agreement, whose ratification was apparently a direct result of Munich, was a gratuitous insult to democracy, the giving up not only of the principles for which Great Britain stood, but of the strategic position which would enable her to defend those principles in the war which now seemed inevitable.

MR. H. W. NEVINSON said that the present persecution of the Jews in Germany was the concern of all honourable and merciful people. The German Press had reproached the British nation with deeds of cruelty in the past. He had known of them, and had been present at some of those deeds of cruelty executed by the British Government and people, but there had always been in Great Britain a large and vocal and powerful body of people opposed to the Government that had carried out these cruelties, and they were still allowed in our country to stand out now for the freedom of Jews so cruelly oppressed by the present German Government.

Then there was the question of danger to the Empire from the expansion of Germany into those countries which commanded the route to India, Egypt, Cyprus, Palestine and down the Suez Canal. Spain was now the paramount factor from the point of view of the British Empire. If once the entry to the Mediterranean were barred, the British Empire was destroyed. General Franco would certainly give the command of the entrance to the Straits of Gibraltar to one of the dictators. It was said that Great Britain could sail round by the Cape of Good Hope. This might be true but it would not be so easy if an enemy Power held the ports of Spain.

PROFESSOR TOYNBEE said that he had not referred to either Spain or the Colonies because they had not seemed to be directly affected by the Munich settlement, and, with the time at his disposal, he had had to make some omissions.

First, he would like to take up the question whether it would be possible for Great Britain to confine her activities to the Empire, without also trying to police the world. If you looked at the map and considered the shape of the Empire, it was evident that the Empire had been built up in the course of the nineteenth century on the assumption that the world *was* policed by Great Britain, and that all other Great Powers were corralled on the Continent of Europe. It had been necessary to put this British police-work into commission because latterly some Great Powers

had escaped from this confinement, and had made their appe ance on the wrong side of the British cordon of sea-power. T Empire could not be maintained in an anarchic world, and the fore our choice lay between policing the world single-handed a policing it in concert with like-minded Powers.

Then there was the tremendously important question of t prospects of the Nazi State. The comparison of Nazi Germa with nineteenth-century dictatorships like those of Napoleon and III was not quite adequate. It was in fact a comparison t tween the staying-power of a single man and that of a whole w of life. What was happening now in Germany was not somethi new and unknown. The truth was that an important part of t Christian world had now reverted to an ancient form of paganis —the worship of a human community. This was a spiritual co dition in which Man had lived in the past for hundreds of thousan of years. Therefore Germany's relapse was very serious, becau it was a relapse into something out of which Man had climb with great difficulty over a long period of time. So it was nece sary to take the " totalitarian " States very seriously. It was n a question just of one man of forty-nine who would have to c in less than forty-nine more years' time. Hitler had reawaken something which had always existed deep down in the souls his own nation and of all nations. The struggle between t Christian religion and the paganism of the " totalitarian " Stat was part of a much deeper issue than that raised by Munic This deeper issue would not be decided in the next year or eighte months, or perhaps even in the present century. The ultima future of the world would depend upon that decision. But t cause one might believe that ultimately forces contrary to tho now in the ascendant in Germany would once again triumph the this did not mean that, from a practical political and milita point of view, which could only be a short view, we could re in the comforting expectation that German National Sociali would pass away easily or rapidly. This movement h foundations which were as ancient and as firm as they were ev

A JAPANESE VIEW OF THE STRUGGLE IN THE FAR EAST[1]

KENZO TAKAYANAGI

MY address this evening is entitled " A Japanese View of the Sino-Japanese Conflict." The title, however, was not of my own choosing, but rather one upon which I was asked to speak. It sounds as if I am scheduled to defend Japan's case. I do not feel myself qualified to undertake that task. My profession is academic, and it would be considered undeserving of my profession if I behaved as a propagandist. Granted that a member of my profession is justified to play the part of an advocate to defend the cause of his country in times of national emergency when thousands of his fellow-countrymen are laying down their lives for that cause, yet it is not for that purpose that I am on my present journey. My object in coming to America and Europe was to discuss certain administrative problems of the Institute of Pacific Relations, with which organisation I have had the pleasure of being connected from its very beginning. Still, I gradually came to think that it was right to select that title. For, however objective one endeavours to be in a discussion of this kind, one cannot surmount the natural limitations of one's mental vision, which is, after all, coloured by one's education and the intellectual *milieu* in which one lives. And indeed one can observe such limitations even in the case of an objective discussion by a disinterested third party, which is supposed to be free from national prejudices. Even if the evidence, scrupulously sifted, is in itself unchallengeable, the whole picture may nevertheless be distorted not only by one's natural predilection, but by one's mental vision and mode of thought, which are again the outcome of one's education and of the intellectual atmosphere of which one is a part.

I am by profession a student of legal philosophy as well as of English Law. And even in cases where I concentrate my mental energies on such a contemporary subject as the Sino-Japanese Conflict, I am naturally inclined to reflect on some of the fundamental questions involved.

[1] Address given at Chatham House on November 10th, 1938; Colonel G. R. V. Steward, C.B., C.B.E., D.S.O. in the Chair.

How much of the legal and political history of a nation is moulded by human volition and how much by her environment? Perhaps this is a phase of the more fundamental philosophical dilemma of long standing: free-will *versus* determinism. My mind turns to this question because in the Western picture of the expansion of Japan during the past fifty years, one often finds an attempt to depict it as if it were the prosecution of a carefully designed plan by the Japanese Imperialists, while the Japanese themselves feel rather that it has largely been determined by the geographical, economic and political circumstances in which the nation was placed. Is not the apparent difference of political behaviour between Great Britain and Japan, for instance, due not so much to the personal moral qualities of the men who steer their national policies, as to the circumstances in which they have to act?

How much does and should force play in the ordering of human relations? Is not legal order itself based partially on organised force? Legal order must contain an element of right and justice, to be sure; but is not organised force one of its constituent elements? If force without justice is barbarous, justice without force is impotent. This fundamental question as to the relation of force and justice in the juridical order comes to my mind because in Eastern Asia there is now manifest a display of force, and it is the faith of the Japanese nation that it ought to be directed to the establishment of permanent peace and order in that part of the world, which is considered essential for her own preservation. There is also a movement in Great Britain and elsewhere for larger armaments, which presupposes the potential display of force for the defence of their respective countries or for making their policies more effective.

I have been one of those who expected much from the League of Nations. But now it seems plain that that organisation has not been a success. Why? Some like to employ bad-men interpretations or rather bad-nations interpretations—*e.g.* too much political manœuvring within the League by this nation or that for its own national interests, or unwillingness on the part of certain nations to abide by its decisions. To my mind, however, the cause is more fundamental. The majority of the people of various nations are in reality not yet in a mood to accept a vague loyalty to a world authority at the cost of the destiny of their own countries which actually protect their life and property. The reason why a modern State can effectively enforce law and order within its own borders is largely due to the psychology of its

people, who have been so trained by a long historical tradition, attained after a series of internal group struggles, eventually to support the State to which they belong. The League of Nations made its appearance all of a sudden, swayed by elevated sentiment created by the World War, but without the necessary psychological preparations. Thus just as there are social-psychological limitations even in the enforcement of domestic legislation, so there are very serious social-psychological limitations to the functioning of a world authority. Whether we like it or not, we must for the present endeavour to build up international peace based upon a different organisation of force.

Another problem which confronts us is the problem of stability *versus* change in the ordering of human relations. There is a constant change of the political balance of power within a State and in the society of nations. The maintenance of peace or stability in the sense of an immutable *status quo* is an illusion. Within a State itself there is a constant shift of the balance of political and social power, sometimes taking the violent form of a revolution. So in the international field there is a constant change of the balance of power, and such change is, in extreme cases, brought about by armed conflicts. We do our best to effect such necessary changes peacefully without resorting to force—*i.e.*, revolution or war. Human ingenuity, however, has not succeeded in eliminating them altogether.

But once the shift of political balance is attained, either by revolution or war, there follows a peaceable period of comparative stability when people can live together on the basis of such new order, though change continues again under the new order. The interplay of the necessity for change and the requirements for stability govern the destiny of man both within a State and among the nations of the world.

The fourth great problem which occurs to my mind is the Westernisation of Eastern Asia. China and Japan, though politically separated from ancient days, have had a common cultural background and a common philosophical outlook. Japan has been a good pupil of the ancient classics of China, and the Japanese are so much Confucianists themselves that one of our philosophers, after travelling through modern China, asked himself, "Alas, is this an answer to Confucius?" Buddhism forms part of the spiritual life of the Japanese nation, whether or not they confess their faith in it, but they mostly learned it through Chinese glasses. The spiritual and philosophic outlook of China and Japan has thus been closely akin.

I do not, of course, endorse the naïve view that the Eastern civilisation is spiritual, while the Western civilisation is materialistic. Still, it remains true that the materialistic philosophy which Japan has learned from the West, with all its capitalistic structure and technique, was quite a new thing to her, and we can at least understand the impression made on our predecessors that Western civilisation is materialistic.

China came into contact with Western materialistic philosophy much earlier than Japan, but Japan mastered it more quickly than China. When Commodore Perry knocked at the door of the Far-Eastern Islanders, nobody imagined that this tiny event in the world's history was destined to have such world-wide significance in the sudden rise of Japan, the speedy expansion of her industry and trade, and the consequent repercussions on the world at large.

Together with the technique of capitalism, she has learned from the West the technique of national defence, and she learned them so quickly that after seventy years the Japanese army and navy can face on equal terms the strongest of armies and navies.

This quick mastery of the Western arts of peace and war by Japan has deeply affected her own national life. It has raised her standard of living and rapidly increased her population, which had remained stationary during her long secluded life under the closed-door policy of the Tokugawa Shogunnate. In order to satisfy her natural desire to raise her standard of living and to provide for her increasing population, she must either emigrate, or sell her industrial goods to other countries. But the area of her expansion has already been pre-empted. All the areas are under the political control of Western nations, which adopt closed-door policies not only toward her emigration but to vicarious emigration in the shape of industrial goods, the export of which is necessary for obtaining raw materials and machinery for her industries as well as for purchasing other amenities of life. Thus expansion is forced to take the line of least resistance, and finds its way to the Asiatic Continent. That seems to be the economic background to the establishment of Manchoukuo.

Now, coming to very recent years, Japan has plenty of coal and water-power, but is lacking in iron, which is necessary for the development of her heavy industries, there being a gradual transition from light to heavy industries. Japanese industries and capitalists, therefore, naturally want to get iron ore in North China. Like industrialists and capitalists elsewhere, they too want peaceful access. Thus they have tried to co-operate with

Chinese capitalists to develop the iron-ore mines on the usual 49–51 per cent. basis. This and other plans for development in North China by co-operation between Japanese and Chinese capitalists, which have received the consent and approval of the local government, have been rejected by the Nanking Government.

There is also a strategic element in the situation. The main concern of the Japanese army is defence against Soviet Russia. Their military obligations have increased enormously since the establishment of Manchoukuo, the concentration of the Soviet army in Eastern Siberia and the political control of Outer Mongolia by the U.S.S.R. And they naturally want Chinese co-operation in this regard, which has, however, been refused by the Nanking Government.

China herself has in recent years been on the road to economic and political reconstruction. But unhappily her nationalism was promoted by her politicians through the inflaming of the nationalistic sentiment of her people by unscrupulous methods, the most deplorable being their anti-foreign education, which poisoned the tender mind of innocent children against all "imperialistic nations," and in recent years especially against Japan. The anti-Japanese economic boycotts, which were mere manifestations in the economic field of this general tendency, exasperated the Japanese, who thought that the Chinese market was vital for their normal economic expansion, especially since a boycott against their goods of a milder character—that is to say, in the shape of high tariffs and lowered quotas—was proceeding rapidly in other parts of the world. Chiang Kai-shek saw the danger of his policy of antagonising Japan, and really seems to have tried to exercise his dictatorial powers toward a more moderate policy toward Japan, but the inflamed nationalistic feelings of the young officers became too much for him to control. After the Sian Incident there were signs that his anti-Japanese policy was being strengthened in collaboration with Soviet Russia, which naturally alarmed the Japanese army. Thus, the local incidents in North China and at Shanghai, occurring in such an atmosphere, led inevitably to the present Sino-Japanese conflict, and the prolonged resistance tactics adopted by Nanking naturally enlarged the sphere of military operations, despite an attempt on the part of the Japanese, both civil and military, to localise the incidents.

All these deplorable developments naturally disturb the Oriental mind, and give rise to a serious doubt. If the capitalistic economic system is at the bottom of all this, was it not wrong

for our predecessors to have embraced this Western materialistic philosophy, and its concomitant, the efficient means of national defence? But the doubt is, after all, academic, for if they had failed to embrace it, it would have meant the political domination of Japan by the Westerners, as in other parts of Asia. And the other economic alternative—communism—offers us little hope in view of the actual experience in the U.S.S.R., which is at present transforming itself into something else. Is it not incumbent upon Eastern Asia, as a whole, to create something new and better, so that that part of the world at least can live in mutual peace, and so promote common prosperity? This is a revolt of Eastern Asia against the West—not, indeed, in arms, but in intellect. Behind the often-repeated words, "for the establishment of permanent peace in Eastern Asia," lurks not so much a pretext for economic Imperialism, as a feeling of scepticism of what we have mastered, a desire, an aspiration for something better.

After these rather prolonged preliminary reflections, which are all relevant to my theme, I proceed to the Sino-Japanese conflict itself, and my thoughts naturally turn on the past, the present and the future.

I have neither the ability nor the time here to deal adequately with the historical background of the Sino-Japanese conflict. Instead, therefore, of trying to present a general picture of the past, I may be allowed to recount a few of the events which took place at the six conferences of the Institute of Pacific Relations which reflect at least some aspects of the history of the Sino-Japanese relations.

At the first conference, held at Honolulu in 1925, the topics which the Chinese group stressed were the abolition of extra-territoriality and the restoration of her tariff autonomy. The Japanese group naturally stressed the immigration problem because the memory of the United States Immigration Act of 1924 was still fresh in their minds. The Japanese and Chinese groups were generally on good terms in their round-table discussions. At the second Honolulu Conference of 1927, the British group came for the first time, headed by Sir Frederick Whyte. Just then, under Soviet influence, the brunt of the anti-foreign movement in China was directed mainly against the British. I was told that the private conversations between the British and the Chinese delegates which were conducted behind the scenes had some share in the formulation of a conciliatory policy of the

British Government, which succeeded in causing the anti-British boycott to subside.

At the Third Conference, held at Kyoto in 1929, at which, as you know, Lord Hailsham headed the British delegation, Manchuria was the subject of a heated discussion between the Japanese and Chinese groups. The Chinese group continued their advocacy of the abolition of unequal treaties and the restoration of her effectual sovereignty, this time over Manchuria as an integral part of China. The Japanese group reminded the Chinese of the special position which Manchuria occupied for her nation, economically and strategically as well as sentimentally. They pointed out that it would be a great mistake for the Chinese to deal with Manchuria simply on a rationalistic formula, such as the recovery of China's unimpaired sovereign rights in the Austinian sense. The historical, as well as the psychological and economic factors, they pointed out, must duly be taken into account.

I well remember how a few Chinese and Japanese delegates met together every evening, outside of the regular programmes of the Conference, to carry on informal conversations on the possible formulæ for promoting Sino-Japanese friendship and co-operation, in which I had the privilege of participating.

Just then, you will remember, Baron Shidehara was Japan's Foreign Minister, and there was much complaint in Japan that his conciliatory policy was met with anti-Japanese policies not only in China proper, but in Manchuria as well. They felt that such a policy would only end in bringing about a state of affairs in which Japan might be obliged either to pack up and humbly retire from that area, which naturally they could not afford, or to fight for her interests in Manchuria. And I, therefore, told my Chinese friends that it was a great mistake for them to identify Britain and Japan in their mind. "You may have recovered some of your concessions because of your anti-British boycott. But Britain's interests in China are now mainly economic and financial. On the other hand, Japan's interests, especially in Manchuria, are far more than that. If you interpret Baron Shidehara's conciliatory policy as a sign of Japan's weakness and exploit it, then he will naturally be discredited at home, and a firmer foreign policy is sure to take its place. The wiser policy for you to pursue is to collaborate with him by making his liberal policy a diplomatic success in the eyes of the Japanese nation." Our Chinese friends politely listened to the argument, but were in no mood to accept that line of thinking. The tension between the

two countries regarding Manchuria became so acute that it culminated in the Manchurian Incident of 1931.

The fourth Conference was held at Shanghai in the autumn of 1931, when warfare was raging in Manchuria. It was a marvel that the Japanese and Chinese groups could get together to discuss the usual agenda of the Conference. There was naturally a tense atmosphere, and a certain Chinese scholar who played a prominent part in presenting the Chinese case both at the second and the third conferences, and who was then an adviser to Mr. Eugene Chen, made a very conciliatory after-dinner speech on the formulæ by which the Manchurian problem might possibly be solved. A few days later he was dubbed a "traitor" to his country, and in the end it cost him his job.

At the fifth Conference, held at Banff in 1933, the establishment of Manchoukuo had already been effected, and the political relations of the two countries were so delicate that the Conference had to concentrate its agenda on the economic aspects of the Pacific area, especially the trade expansion of Japan on the one hand and tariff policies of the Powers on the other.

At the sixth Conference, held at Yosemite in 1936, at which the Right Honorable A. V. Alexander headed the British delegation, Soviet and French delegations for the first time participated in the Conference, suggesting in our minds the emergence of the U.S.S.R. as a potent factor in the East-Asian questions and their European connections in the form of the Treaty of Mutual Assistance between France and Soviet Russia. There was also talk of the possibility of a Treaty of a similar character between Japan and Germany. The main interest shifted from Manchuria to North China, Inner and Outer Mongolia as a danger-spot. On one hand suspicion was expressed as to Japan's policies in North China. On the other hand, China then was known by everybody, and perhaps sympathetically, to be actively engaged in strengthening her strategical position in view of a potential war with Japan, by equipping herself with modern weapons and in other ways. The atmosphere of the Conference was naturally unfavourable to Japan.

In such an atmosphere I was asked one day to make a statement on Japan's foreign policy at one of the Round Tables to which I was assigned. And in the capacity of an academic observer I said something like this:

"In order fully to understand the Japanese foreign policy, we must bear the following factors always in mind.

"*Vis-à-vis* Europe and America, our relations are, apart from the

East-Asian political complications, essentially economic. Both Japan and the Western Powers are satisfied if there is a smooth flow of trade. In order to meet the requirements for feeding her population, Japan naturally desires to sell her manufactured goods to those countries, in exchange mainly for raw materials and machinery which she needs for her industries. When, therefore, they build up tariff barriers, she will protest and her foreign policy will naturally be directed to persuade them to lower those barriers. But taken by themselves, there is no reason why all of the disputes may not be solved by peaceful adjustments. Neither side would think of risking a war on that account.

"*Vis-à-vis* China, however, there is an additional factor—*i.e.*, the immutable fact of geographical propinquity. Japan is greatly concerned for her own safety and preservation over the attitude of the Government in China toward Japan. If the Chinese Government is anti-Japanese, and especially in combination with another Power or Powers, she feels her own national existence greatly menaced.

"*Vis-à-vis* Soviet Russia, there is another factor—*i.e.*, an ideological factor, in addition to the economic factor and the factor of geographical propinquity. Rightly or wrongly, Japan feels that Communistic theories and practice are incompatible with the spiritual welfare of her nation. More especially she will be afraid of Communist ideas taking hold of her neighbours, and thus finding these ideas dominant in Eastern Asia. Also she knows by experience that the Communistic tactics in China have a strong tendency to be directed toward combining with anti-Japanese nationalists to fight Japan. And that factor will have its due influence on Japan's foreign policy.

"Yet, despite the fears shared by many persons, in view of the even balance of military strength, I do not think that the two countries will easily go to war. There may be no end of border incidents, but for some time to come I do not think there will be any conflict of a major kind.

"The danger spot is, in my opinion, rather North China. If the present régime in China continues to strengthen its anti-Japanese policy, there is a great danger of a Sino-Japanese conflict of a major kind. And if the conflict should come, it would surely be a great embarrassment to Japan, but it would bring disaster not only to the Chinese people at large, but to the present Chinese régime itself. And, in view of the complex international situation, this may lead to another world war, who knows?

"Therefore the wiser policy for China is not to pursue anti-Japanese policy, but to adopt a policy of collaboration with Japan. Sentimentally it will be a hard thing at present for the Chinese to do so. In a way I fully sympathise with the Chinese feelings. But it is the part of wisdom for the Chinese to collaborate with Japan. And it would be a short-sighted policy on the part of the Western Powers to aid and abet this anti-Japanese policy. For in the event of a major conflict, great damage will naturally be done to their economic and financial interests in China."

At the Conference those humble opinions of mine naturally fell on stony ground. People there assembled were on the whole more interested in the development of collective security of the League or Anti-War Pact type, and the theory of indivisibility of peace was loudly proclaimed. And that theory constituted a convenient springboard from which to attack or cast reflections on Japan's policy in North China.

Coming to the present, this is, of course, the largest of the Sino-Japanese conflicts. And it is, in point of fact, a "war," though neither the parties concerned nor third parties like to call it so, for various reasons. The warfare is indeed conducted as between the parties virtually in conformity with the rules of international law in time of war, but neither the parties themselves nor the third parties look upon it as war in the technical sense, so that the belligerents are not in a position to exercise the full belligerent rights towards neutral parties. This divergence between theory and practice is an anomalous situation brought about by the Pact of Paris.

The public sentiment as expressed in the Press in England and America seems to have been decidedly on the side of China. It is difficult to assess how far this trend of sentiment was created by a general humanitarian sentiment for an underdog and an animosity against the strong, a guardian's concern for the welfare of his ward under the Nine-Power Treaty, the capitalists' fear that the potential Chinese market might be monopolised by Japan, or the pro-Soviet sentiment of the labour and young intelligentsia of the Left Wing which see disappointment at the growth of a Power which works as a bulwark against the spread of Soviet influence, or by the feelings of the protagonists of the League or Anti-War Pact type of collective security which see in the apparently aggressive attitude of Japan a menace to the collective security they visualise. The question of preponderance among those and other factors seems different in different countries.

As I said at the outset, I was not sent here to defend Japan's case, nor is it for me to correct the prejudice of others. However, I was casually asked a number of questions on various aspects of the present conflict during my travel through the United States. And certain intellectuals who were interested in the relation between democracy and the Press in foreign affairs asked me in what respects the public discussion of the Sino-Japanese conflict abroad failed to convey a balanced picture of the conflict, which is a *sine qua non* of a successful democratic control of foreign policy.

And here are some of the points on which I frankly stated my own impressions.

In regard to aerial bombardment, Mr. Hoover, the former American President, told me that the news concerning aerial bombardment of the civilian population by the Japanese Navy is the one factor which above everything else makes the sentiment of ordinary American citizens turn against Japan. I think he is, in a sense, right. From the standpoint of the protection of civilian population, however, a protest should be directed not particularly against Japan, but against aerial bombardment in general—nay, against modern methods of warfare as a whole, in which, as is well known, the distinction between combatants and non-combatants has a tendency to be obliterated. As a matter of fact, the instructions given to Japanese airmen by the Navy Department were drafted by a lawyer friend of mine, who, in the absence of clear rules of international law on the subject, chiefly relied on recommendations of experts which were adopted at The Hague in 1923. They scrupulously try to avoid danger to the safety of civilian population in so far as the use of this weapon is compatible with it. The contents of those instructions so greatly impressed all of us lawyers who met to hear his confidential address that we were inclined to think that their text might well be published to dispel misunderstandings and calumnies abroad against our airmen. There have been mistakes by our airmen, but they are largely of a kind which are impossible of prevention by any airman, whatever his nationality. And moreover, if the welfare of the civilian population is really the main concern, it seems strange that the tactics of cutting dykes or "scorched-soil" policy, which brings a hundred-fold greater disaster to civilian population, are overlooked.

There is a view widely spread among the lay public that the present conflict has been brought about by the Japanese militarists who designed the conquest of the whole of China, a country practically defenceless. The correct picture, I submit, should be a more complex one. It is true that from the military standpoint Japan was far better equipped than China. But it is far from the truth that the Japanese military designed this course of events. According to the best information at my disposal they at first rather detested the idea of fighting the Chinese on any large scale, and did their best to localise the conflict, partly because they think of China as a young brother, though a recalcitrant one, and more especially in view of the greater menace they felt from the North. It was rather the force of circumstances

which obliged Japan to extend her sphere of military operations. And the belligerent temper of the Chinese militarists who were a little bit puffed up by their modern equipment and minimised the fighting power of Japan, in view of the apparent internal dissensions and apparent inability of Japanese finance to conduct a prolonged warfare, as well as the policy of long-term resistance adopted by the Nationalist Government for similar reasons, are all factors which contributed to that extension.

There is a view also widely current that Japan is governed by the militarists and her Government is to be compared with German or Italian dictatorships. It is true the Japanese military have a much stronger voice in Japanese politics than in England or America, and there were times when we ourselves feared that they were getting too much into politics. The balance of power of Japanese politics is, however, a complex unity which defies accurate analysis. Montesquieu once analysed the governance of England, and evolved a famous doctrine of the separation of powers. But it is now admitted on all sides that his analysis was coloured by his own ideology and his desire to reform the government of France. And similar things might possibly be said of certain Western analyses of Japanese politics. Behind such analyses is often concealed an intention so to paint Japanese politics as to be unpalatable to the Westerners, in order to rouse their feelings against Japan. It is true that the Government of Japan is certainly not similar to liberal democracies of the Anglo-American type, neither is it to be compared to the dictatorships of Soviet or German-Italian type. In other words, it is a government *sui generis*. It is also true that cases increased in recent years in which the Government warned the newspapers and periodicals against reporting on certain items, for Japan is surely not so liberal as to allow complete freedom of the Press in wartime. Still, the halo of authority does not protect the men in power, who are freely criticised in the newspapers and periodicals. This is not true of the U.S.S.R., Germany or Italy. I can imagine that Japan might possibly become a "totalitarian" State in the sense that her material resources may come almost completely under Government control. Such an eventuality, however, largely depends on her economic and financial situations in the future. And this seems foreseeable, especially in the event, for instance, that no economic collaboration is attained between Great Britain and Japan in regard to China.

Then there is the Berlin–Rome–Tokyo axis. A friend of mine suggested to me that the man in the street in the West does not

generally care very much how Japan is governed or how Japan controls China; for they consider Eastern Asia as a distant area, far away, about which there is generally little concern; but when there is talk of the Berlin–Rome–Tokyo axis in the newspapers Japan appears in a fresh light in the mind of Westerners. Japan then poses as a party to what they feel is the big menace of democratic countries. Thus naturally their sentiment against Japan becomes acute. This is perhaps true, but it seems that this line of development was probably unavoidable in the circumstances. The Anti-Comintern Treaty was concluded by Japan, I take it, mainly in view of the menace from the north and the spread of Soviet influence in China. And the axis has had a tendency to be strengthened by the attitude shown by the Western Powers in regard to the Sino-Japanese conflict. It was, after all, a policy to avoid isolation, a policy which any European statesmen might formulate, if they were placed in that situation. The ultimate fate of the axis will, however, depend upon what attitude the Western Powers will take *vis-à-vis* the East-Asian situation in the future.

Concerning foreign interests in China, it is beyond doubt that foreigners in China suffered great damage simply because China has been an actual scene of warfare. Some of the troubles, complaints and mutual ill-feelings of the Westerners and the Japanese army and navy may have arisen because Westerners in China often conducted themselves on the legalistic assumption that there is no war, that there should be a normal flow of commerce, while the Japanese army actually doing the fighting conducted themselves on the more realistic assumption that they were engaged in warfare. It is horse-sense to warn third parties to stand clear of the scene of hostilities, so that they may minimise the damage.

It is sometimes cynically observed that it is an ill wind that blows nobody any good, that some of the house-owners in the French Concession are realising huge profits by the inflow of the Chinese, that some of the Hong Kong business men are carrying on profitable trade because of the warfare around Shanghai, that companies manufacturing munitions in some countries distributed high dividends to their shareholders as a result of the sale of their products both to China and Japan. But these shifts in the individual economy are, after all, pathological phenomena, and we all hope that a flow of commerce will become normal in the event of the cessation of actual hostilities and of the establishment of peace and order.

Just a few words as to the future. After the fall of Hankow and Canton the military part of the Sino-Japanese conflict seems, from the Japanese standpoint, to be virtually concluded. There will probably be no major military conflict, though there may still be guerilla raids and small-scale engagements. The main question for Japan is now how to deal with the areas under her military control. Nobody in Japan, I suppose, has worked out in detail how those difficult problems and complications should be solved which involve internal problems as well as international complications. Japan has been by force of circumstances drawn into the gigantic task of helping to establish peace and order, and if possible prosperity, in that huge area, and I suppose she has to muddle through as best she can.

There are, in my opinion, certain factors which are highly relevant to the main outline of the future of Eastern Asia. China as a Power opposing Japan in a military way has, from the Japanese standpoint, been virtually crushed. Japan will naturally see to it that the régime or régimes established in China shall be friendly and co-operative. Japan will not be content with a temporary truce, and will not tolerate the repetition of similar major conflicts in the future : she will try to establish a more or less permanent peace among the East-Asian nations. Her sacrifice has been too great for her to take any other course.

It is difficult, of course, to foresee what will be the formula by which the so-called " permanent peace in Eastern Asia " may be established. One line of development which is probable is the establishment of a system somewhat along the lines of the British Commonwealth of Nations. The Commonwealth of East-Asian Nations may be visualised. There is a traditional culture and philosophic outlook common to the component nations, just as there is such a cultural bond to bind the nations composing the British Commonwealth. Japan will naturally play a leading rôle in military defence and in diplomatic affairs, just as Great Britain plays an important part in those affairs. There will be a close economic co-operation between Japan, Manchoukuo and China. Those units will be politically independent from each other, and the degree of Japan's political influence will, for instance, differ between Manchoukuo and China, the latter enjoying virtually complete autonomy in its internal government.

In trying to assist in establishing peace and order in Eastern Asia, she will do her best to prevent the spread of Soviet influences throughout that area.

With regard to the Western Powers, it is conceivable that

those Powers may, on treaty or other legalistic grounds, refuse to recognise the new state of affairs and oppose Japan's policy along the foregoing lines. This would mean, in the eyes of the Japanese nation, assistance afforded by those Powers to the Soviet Union and its influences in Eastern Asia. And of course that is the course of events the Soviet Union would welcome. In that eventuality Japan may be compelled to do everything in her power to strengthen the Berlin–Rome–Tokyo axis, for it is inconceivable that she will consent to nullify all her sacrifices in this conflict, and to forego in the face of Western opposition what she feels to be her mission, and a long period of disorder and of frictions between East and West may ensue. But it is also conceivable that those Powers may gradually adjust their policies to the new state of affairs and establish their relations with Japan and China on that assumption. That would mean, in the eyes of the Japanese nation, that the Western Powers are cooperating with Japan in her attempt to help establish law and order in that area. In that event, friendly adjustments may be made of the economic and trade interests of Western Powers in China, so as to be of common benefit to China, Japan and the Occidental Powers. For once peace and order be established, China is spacious enough for all parties to benefit by investment and trade, which no one nation can monopolise. It is for the Western statesmen to decide which line of policy they will pursue *vis-à-vis* Eastern Asia, primarily from the standpoint of their individual countries but ultimately for the world at large.

Before I end my address, may I not relapse here into a bit of wishful thinking? As a Japanese and as a friend of England, I earnestly hope that the second alternative will be followed, and it is in the last analysis the British policy which would largely give the lead to the attitude of other Western Powers. From that point of view I can visualise the possibility of the virtual revival in some form or other of the Anglo-Japanese Alliance, as the corner-stone of the maintenance of the peace of Eastern Asia, and as one of the corner-stones of world peace.

I fully realise that there are many difficulties in the realisation of this line of development. One of the difficulties is that through the process of vilification in the Press Japan has come to be pictured as unduly black in the mind of the British public, and public men also seem to have been influenced by the same picture. Efforts must be made so that a more balanced picture be restored. Such efforts must be made to correct the picture of British people in Japan, against whom there has reciprocally been a campaign

of vilification. They must come to recognise, as in former days, that the British are the greatest Western nation, worthy of the highest respect on the part of the Far-Eastern Islanders.

Please remember that I am visualising the cooperation and entente of the two great Island Empires, not with a view to subduing other innocent nations thereby, but rather with a larger mental vision that the Berlin–Rome–Tokyo Axis, for instance, which has been so much abused in the West, may gradually develop into the London–Paris–Berlin–Rome–Tokyo–Washington–Moscow Axis. Certainly, such a course of future history will not be easy to achieve, but after reflecting on the failure of the League of Nations and its causes, I am coming to the conviction that the gradual organisation of force, based on the good understanding of great nations, is the only possible way open to us, at least for many generations to come, for establishing effective international peace.

Summary of Discussion

MR. C. V. SALE said that the lecturer had shown great wisdom in saying that force without justice was barbarous, and justice without force was impotent.

When considering the present struggle, which Japan claimed was in the interests of permanent peace and order in the Far East, Great Britain could not do better than to compare her own experiences in China during the past century. A hundred years ago, when she had been seeking markets for her manufactured goods, Canton had been the only port of entry, and the Chinese officials representing the more or less nebulous Government of the Celestial Empire had put every possible obstacle in their way, finally, in 1840, declaring a perpetual embargo on British trade. This and many other provocations had brought about the three wars between Great Britain and China which had come to an end in 1860; the opening of the Treaty ports had followed and the establishment of extra-territoriality. In giving instructions for the conduct of negotiations prior to the use of armed force, Lord Palmerston had stated that Her Majesty's Government did not desire for British subjects any exclusive privileges of trade which should not be equally extended to the subjects of other Powers. Thus Great Britain had fought for foreign Powers as well as for herself.

The difficulties with China during this period had not been confined to Great Britain, for the first American ambassador to China, writing to his Government in 1857, said that the Powers must insist on their rights, and give up the dream of dealing with China as a Power to which any ordinary rules might apply.

At the end of the three wars in which Great Britain had been victorious, Canton had been described by an Englishman as "a city

once the pride of Southern China, but now of roofless houses and crumbling walls, with windows like eye-sockets telling a tale of weak and unavailing resistance."

In much later years, in 1924, the Communist Government in Canton had declared a boycott against Hong Kong—against British trade—which had lasted for several years. In order to placate the hostility of the Communists with whom Chiang Kai-shek had then been associated, Great Britain had abandoned her settlements in Hankow and several other ports. China, taking this as a sign of weakness, had made still further demands, and in 1927 Great Britain had been forced to send twenty thousand troops to Shanghai. In the same year a British gunboat had found it necessary to bombard the large town of Wahnsien. Fortunately at this time China had recognised her weakness, and Great Britain had been spared a major operation which might easily have led to a long war.

After the failure of this determined attempt to oust the British, China had turned her attention to the Japanese, using every possible means to oust her, and the present-day conflict was a direct consequence of this policy. Truly, as she surveyed Japan's dilemma, Great Britain might say: There but for the grace of God goes John Bull. Nor should she forget her own contribution to China's sorrow. In abrogating her alliance she had isolated Japan, in abandoning her sphere of influence in the Yangtze valley in 1927 she had weakened the position of all foreigners. She had encouraged young China to believe that Japan could be treated like Great Britain.

The lecturer had stated the case for Japan very fairly, very frankly and had done so in terms of moderation which might well become a model for use in discussion of foreign affairs and in the relations between any two nationalities.

Mr. Arthur D. Clegg said that he, also, would like to congratulate the lecturer on the case which he had made for Japan, which had been a complete exposure of her policy in China.

His first reason for the invasion of China by Japan had been that the former had had a Government hostile to Japan. If this were an acceptable reason for making war, surely it meant that Herr Hitler might at any time make war against Great Britain should she at any time possess a Government which did not like Hitler or which Hitler did not like. The second reason he had given had been that Chiang Kai-shek had been in some way connected with the Communists. Again, if this principle were accepted, it would mean that Japan would have a right to invade the United States of America because the Communist Party there had supported Mr. Roosevelt at the last Presidential election.

The lecturer had said that the war in the Far East was being fought according to the rules of warfare. It was doubtful, surely, whether these permitted the raping and sacking of civilian towns captured by

the fighting forces. He had also justified the bombing of Chinese civilian populations by the fact that the Chinese had cut the dykes and adopted the "scorched-soil" policy. That China had cut the dykes in North China was extremely doubtful, and surely the "scorched soil" policy was one of great heroism. Then it had been said that in the beginning the Japanese had tried to localise the struggle, but the extension of the struggle to Shanghai had been caused when two Japanese soldiers had forced their way into the Chinese aerodrome, and, on being resisted by the guards, had started a dispute which had led to the Japanese invasion of Shanghai. In this case the initiative had come from the Japanese.

In his concluding remarks the lecturer had suggested that the struggle with China was now all but over, which seemed an extraordinary statement. It was by no means over—indeed, it had scarcely begun. The Chinese armies were intact, and that there would be no major military operations in future was surely denied by the fact that the Japanese troops in China operating from Hankow and Canton were as large as ever, if not larger. It had been stated that Japan's problem now was to govern the territories which she had occupied. Surely her problem now was to reconquer those territories which earlier in the year she had occupied in part. From articles appearing in *The Times* it was known that during the last few months the Chinese had reconquered most of the provinces in North China which had first been entered by the Japanese troops. In Shantung, according to *The Daily Telegraph*, only two major towns still lay in Japanese hands, and the Chinese regular troops in the North had entered East Hopei, a territory wrested from China by the Japanese in 1934, long before the start of the present war.

Finally, in his attitude towards foreign Powers, the lecturer had shown the same feeling as towards China—namely, that there could be no Government in China without Japanese sanction, and that foreign Powers could only come into China if prepared to work for Japan. The foreign Powers had just as much right in China as had Japan, and the Chinese people had a right to decide which sort of Government they would have, and one in disagreement with Japan if such were their wish.

The previous speaker in the discussion had seemed to justify Japan's policy in China at the present moment by references to the policy of Great Britain in the past. If the conduct of Powers to-day were to be based upon the conduct of Great Britain in the past, the outlook for the world in the future was very gloomy indeed.

COLONEL STEWARD (in the chair) said that with regard to the raping of civilians and other atrocities of which the Japanese were accused, such things were regrettable, but he could cast his mind back to 1900, and whatever was happening now, it was probable that the Japanese had learned it from other nations. Behaviour towards the

Chinese in 1900 had been very very bad indeed, so that any attack upon the Japanese at the present time, though it might be merited, must also recoil upon other nations as well.

Sir Charles Addis said that he agreed that it was of little use to try to elucidate the present by a comparison with the past. It was to be hoped that, during the course of years, the standard of international morality had not remained stationary, but had been advanced so that acts which had been justified by international practice in the past were no longer justifiable to-day.

As he had listened to the lecturer, the speaker could not help reflecting that the two main factors which kept nations apart, who had been ordained by nature and Providence to live together in harmony, might be summed up in two principal causes: the one was misrepresentation and the other misunderstanding. With regard to misrepresentation, which was deliberate, there was nothing to be done except to live it down. Japan would have such an opportunity when peace came, as come it would, by acting with the moderation and with the fair and just dealing which her past had led us to expect from her. Misunderstanding was quite another matter, and could be cleared by frank and simple candour. The lecturer to-night was a good illustration of this thesis. In all that he had said he had been fair. Naturally he had made out the best case that he could for his country. In his place every one of the audience would have done the same.

He had been right, too, when he said that the policy of a country was an evolutionary process arising from its physical surroundings and from its spiritual development. It was not to be doubted that there was a conflict of national ideals: China, on the one hand, desiring nothing more than to be left in peace to cultivate her garden, incapable of conceiving of a civilisation higher than her own and adapted by nature, uniquely adapted, to be a self-supporting nation. Within her own borders, as Sir Robert Hart loved to remark, China had all the requisites of an advanced civilisation: the finest clothing in the world, silk, the finest food in the world, rice, and the finest drink in the world, tea.

It was not always borne in mind that Japan was an island Empire, about one-fourteenth of the area of China; with a population of seventy millions, against four hundred and twenty millions in China. Of the total area of Japan, only a relatively small portion was cultivable, probably not more than a third. With her crowded and increasing population she had an urgent need of two things: expanding markets, and a supply of raw materials, if she were to maintain the standard of living of that crowded and increasing population. Where was she to turn but to China? *There*, divided by a narrow strip of sea, lay a country with a large exportable surplus of the raw materials of which Japan was in need, with considerable openings for a population to which entry elsewhere was denied by the growth of an exclusive spirit

of nationalism throughout the world rendering emigration difficult and to a large extent impracticable. These were large contributing causes to the present conflict.

Little could be gained by dwelling on certain regrettable incidents which had occurred in the course of the hostilities which had now lasted for nearly a year and a half. Between two countries at war there was always a danger that one or other of the combatants would seek to turn public opinion in his favour by resort to a propaganda in which incidents, inseparable alas (!) from all hostilities, were magnified and distorted for the express purpose of inflaming prejudice and passion and obscuring the real issues of the conflict.

The speaker was more concerned, as must be the lecturer, with what was to be the result of victory. The present position was that Japan had conquered the entire eastern half of China from Pekin to Canton, a section which contained at least two thirds of the population and practically the whole of the industrial area. When peace came, as come it would, what was to follow? The speaker ventured to express the hope that when that time came Japan would once more show the moderation and, if the lecturer would pardon the word, the collective spirit which we had been accustomed to expect from her; that she would recall that she was a signatory of the Nine-Power Treaty of 1922, in which she had undertaken to respect the integrity and the sovereignty of China, and to maintain the principle of the Open Door. He was not suggesting for a moment that she was forgetful of those obligations, or that she did not mean to act up to them in the spirit and the letter. But confirmation would allay public anxiety.

The position now was that the whole of the coast of China was under the control of Japan. The main artery of trade, the six hundred navigable miles of the Yangtze from Hankow to Shanghai, was now, one hoped (but perhaps the lecturer would give some information on this point), restored to comparative security. There would appear, if that were so, to be no reason why, if not now, at least in the very near future, Japan should not be able to reopen the channels of trade and restore the prosperity of China and, incidentally, of those Western Powers who traded with her. Japan would no doubt also realise that the backbone of international trade in China was the Maritime Customs, that it was an international organisation, and that any interference with its administration might lead to the most serious consequences for the trade of other nations. The time was coming, and it might be very near, when Japan would be in a position to demonstrate to the world that she had no desire for territorial aggrandisement in China, that she had no intention of monopolising any of the China trade, and that, victory once assured, she would be prepared to settle the question of peace terms internationally. This was the fundamental question, the answer to which would determine the subsequent relations between Japan and those nations whose interests in China were at least as important as her own.

MR. BARNARD ELLINGER said that he had wondered while listening to the lecturer whether any one of the English professors teaching in the Japanese universities could have delivered as reasoned and as eloquent an address in the Japanese language as the lecturer had done in the English language that evening.

The lecturer had said that with regard to the future it was necessary for those nations wishing to understand Japan to put themselves in her place. The speaker often tried to put himself in the place of a Japanese, because whether the lecturer were right, and Japan would be able to dictate to China as to her Government, or whether she would find that, in spite of her great military victories, it would take some years to control a nation of four hundred and fifty million people, there might come a time when she would welcome the friendly efforts of Great Britain to bring together the two peoples. In any case she would doubtless desire the friendship of Great Britain as in the days of the Anglo-Japanese Alliance. It was not very difficult to understand the Chinese point of view, which was that her territory had been invaded and her country ravaged by a Power who was trying to dictate to her which sort of Government she should have and who her international friends should be. Lord Acton had once said that most of the misery in the world had been caused by one set of men trying to tell another set of men how to be happy.

But it was necessary to understand the Japanese point of view, and to persuade the Japanese that their case was understood. If the speaker were Japanese, he would ask his English friends about the new international morality by which everything was to be settled by negotiation and nothing settled by force. It sounded very well, but where was it? It was not be to seen in Europe. It had not existed when Germany had invaded Austria or when she had invaded Czechoslovakia. It did not seem to exist with regard to intervention in Spain. Why did Great Britain now contemplate recognising the Italian conquest of Abyssinia, when she had not yet recognised the earlier Japanese conquest of Manchuria? This new policy did not seem within the realm of practical politics, and in fact Christian missionaries had been sent to Japan who had preached that this international morality had been taught for two thousand years. It was obvious that the new ideas evolved over the past twenty years were as yet unacceptable to humanity, and were not going to work. Secondly, if he were a Japanese, he would say to his English friends that Japan had promised in 1922 to guarantee the Open Door in China. True, but then Doors had been open to Japan which to-day were closed. The United States of America, Great Britain, India, Australia, Canada, all had been open then. Doors had been closed against Japan, not only against her goods, but against her people. What was the difference between the Japanese position to-day and the British position in the nineteenth century? The latter then had had a great rapidly growing population and had needed expanding markets. So she had conquered Africa, not only

the savage parts, but the white Boer Republics. To-day her economic problem was different: she had to fit her economy during the second half of the twentieth century to a country which would have a rapidly declining population. But the Japanese problem was now exactly the same as the British problem in the nineteenth century, and she had to adopt the same methods, and was only doing so because the British Empire and others had forced her into that position by closing other markets against her. Those were some of the questions which the speaker, as a Japanese, would put to his English friends, and he had to admit that as an Englishman he would not know how to answer them.

MR. J. NISSIM said that the last speaker had claimed that the British Empire had closed its markets to Japan. This was surely a travesty of the truth. Undoubtedly in India there was a customs duty and certain preferences, but this had not closed the market in India against Japan. In fact, Japan had thrived by her exports to India. Nor in Africa was there any sign of a closed market. In Australia there was a high duty, but it was equal for all. It was true that the closing down of emigration was one of the contributory causes of world unrest. Great Britain had set the example during and since the War; unfortunately America had followed her example, and much trouble had thus been thrust upon the world.

But, although Great Britain recognised Japanese interest in Eastern Asia as much as she recognised her own in the security of France and the Low Countries, this did not mean that the appropriation of territory was justifiable. Great Britain did not say that because French and Belgian and Dutch security and independence were vital to her, she should set up governments in those countries which would be agreeable to her, or that she should acquire some of their territory. In China Great Britain had been happy to see the emergence of a National Power which was consolidating itself and enforcing, gradually, law and order throughout the country. The analogy with the conduct of Great Britain in the nineteenth century was false in this, that the latter had not fought to annex organised States. She had entered the chaotic parts of India, but had guaranteed the security, as she did to-day, of those States which were organised and had since become prosperous. The Boer War had been a different matter where British security was directly threatened.

Another justification for the Japanese invasion of China had been that the latter was turning rapidly Communist. This might be true of the attitude of China in earlier years, but all had seen the gallant efforts of Chiang Kai-shek to fight Communism wherever he had found it.

Then there was the excuse that Japan was fighting in China to preserve law and order. What signs had there been of disorder before the beginning of the present struggle? Trade had been thriving. Roads had been built and railways constructed. Foreign influence

and experts had been invited. Also, as far as could be seen, China had assumed an extremely submissive attitude towards Japan, the only reason for anti-Japanese feeling being that there seemed to be no limit to Japanese expansionist tendencies in China. Not content with Manchuria, she had needed Jehol for the security of Manchuria. Then she had needed East Hopei for their security, and now she needed the whole of China from the coast to the interior. Japanese interests and security would be better served by setting up an organised Government in China, acceptable to the Chinese people.

The lecturer had closed with a moving appeal that Great Britain should cooperate with Japan, which she had every desire to do; but the first essential for that cooperation was that the Chinese Government set up by Japan should be acceptable to the Chinese people. In any case, Great Britain would have no desire to oppose Japanese predominance, but she would be most concerned to find a Chinese Government set up completely subservient to Japan.

One of the most moving appeals ever made had been heard from the greatest friend of both China and Japan, the fourth speaker.

MR. T. B. BARLOW asked why, having obtained Manchuria, this had not been sufficient for Japan's needs. There had been ample justification for her occupation of this part of China, but why had not this been adequate?

Would not the lecturer agree that the effect of the Japanese attack had been to unite China as she had not been united for centuries?

What was the real objection to the alleged Communist influence, if it existed? Had not the Chinese a perfect right to devise their own form of Government? It was found so frequently that any political doctrine which conflicted with the interests of another country was automatically dubbed Communism.

Was it not a fact that in a history of several thousand years many races had attempted to conquer China, and there had always been one of two results: either they had been absorbed by the Chinese, or they had survived in control for a comparatively short period, perhaps for a hundred years, and had then been thrown out? Was it not possible that Japan was merely uniting China and ranging her against all foreigners, so that ultimately she would turn and banish them all?

MR. R. T. BARRETT said that he was grateful to the lecturer not only for his exposition of the Japanese case, but for pointing out the effort made by the Japanese moderate forces to avoid the war altogether.

He had been in China in 1926, when civil war had been raging, and when many would have welcomed Japanese intervention on any scale. But they had seen since then the rise of a party in China which had brought law and order, and the emergence of a man able to rally the Chinese round him. Only as this had been accomplished had trouble with Japan arisen.

As to the Communist bogey, there had been a Communist uprising in Canton in 1927, which had been put down by the Chinese people. The Russian Mission, under Michael Borodin and Marshal Bluecher, had attempted to foist Communism on China, and had been thrown out for their pains. China had no intention of going Communist, but she had been uniting and gathering strength.

What was Japan's policy? Prince Konoe had put it bluntly as being "to beat China to her knees," and he had spoken of not surrendering an inch of territory. Both he and other Ministers in Japan, including the War Minister, had spoken of a ten or twenty years' war. What could this mean except the conquest of the country? What did cooperation mean but subjection? Could there be any other definition for a Government controlled by a foreign Power, which would also control Customs, communications and everything in which sovereignty was vested?

Japan had been performing a great work in Asia, carrying the products of modern industry to the working classes of China, India and Java. She had had that trade in her hands. Of course there had been difficulties with China. Great Britain had always had her difficulties with China, but there had never been any question of conquest or subjection. The tragedy was that Japan could have had the trade she wanted. Her two ambassadors just before the outbreak of hostilities had been trying to conclude a trade agreement with China, but aggression had followed aggression, incident had followed incident, until the present war had been launched, for which Japan had been extraordinarily well prepared.

VICE-ADMIRAL C. V. USBORNE said that he had been surprised to hear the lecturer say that changes in the relative strengths of nations were a justification for aggression. Surely such changes could be accepted as causes, but never as justification for such action? The first speaker had suggested that the forcing of trade on a country reluctant to trade was again a justification for aggression. If this were so, it would really be better if all overseas trade were immediately to cease. Japan herself had been forced to trade by British guns against her will. It was a great pity that this had been done, she would almost certainly be a very much happier nation to-day had this not taken place. In the same way China had been forced to trade with Great Britain when she had had no desire to do so.

But after the Great War there had come a change in the philosophy of international relations. The scheme of the victors, among whom happily had been Japan, had been to link the world together through the League of Nations, which was to be followed by disarmament. Then had followed such treaties as the Kellogg Pact, which Japan had signed with other nations, outlawing war as an instrument of policy. The speaker believed that the latter had had every intention of being loyal to that pact, though her circumstances had been extremely diffi-

cult, with a population rising by nine hundred thousand each year. Something had happened to break the resolution of the Powers, and had thrown them back to long before 1914, and unhappily that thing had been the action of Japan in Manchuria, the first of a series of actions which had thrown the world back perhaps a thousand years. The speaker did not blame the Japanese Government for this, because he did not believe that such action had been their intention. He believed that the armed forces of some countries abroad, and Japan was amongst them, were in the habit of taking action without consulting their government, which then committed that government to a course which it had never intended to take. Perhaps the lecturer would comment on this, but the speaker believed it to have been the case in Manchuria.

In the world to-day there was a strong desire on the part of all nations eventually to reach a settlement by which permanent peace might be attained, but each one from time to time found their own case exceptional, so that they must break away and hope that their aggression would be the last, and that the world would accept the new territory won by them and settle down to the new *status quo* : Abyssinia was accepted, and so on. Each aggression was dubbed a *fait accompli*, and it was hoped that such a thing would not occur again. There would not be peace until all nations agreed that somehow they must limit their populations so that they could live conveniently inside the boundaries which they possessed. The speaker did not believe that Japan would relinquish the coast of China which she had conquered. It was to be hoped that she would make the best use of it for all the populations concerned, and that the world might then be able to settle down under a satisfactory *status quo*.

QUESTION : Was it not really fear of Russia itself, and not fear of Communism, which had made Japan invade China?

PROFESSOR TAKAYANAGI thanked the speakers in the discussion, and said that from their remarks he had been able to see how the psychology of the British people was working, and had gained much information concerning the points which mainly interested them.

The first fundamental mistake had been to assume that he had been justifying the action of Japan and presenting her case. His object had been to draw as objective a picture as possible, not to defend one side or the other. Concerning a momentous struggle between nations it was easy to apportion praise and blame dogmatically, but that could never be done accurately. In an explosion of that kind everyone concerned might, in a sense, be said to be responsible, not only China and Japan, but other countries as well. For instance, the Nine-Power Treaty had been made to guarantee the integrity and sovereignty of China; it had been based on the assumption that China was not in a condition to protect herself. So the Nine Powers con-

stituted themselves guardians of the child China. But the child China had behaved rather badly towards one or two of the guardians, and here was an element for which other Powers, as guardians, must be responsible. Moreover, other Powers had sold munitions to arm the child China, possibly to fight Japan, one of the guardians. It was natural that from the Japanese viewpoint the Nine-Power Treaty looked like a mere springboard from which to attack her.

Concerning the Open Door, apart from the superficial legalistic outlook, could it be said that China's door should be open and that other doors should be closed? He was himself a lawyer, but he knew the limitations of law when dealing with matters concerning the destiny of nations. Natural equity asserted itself.

It was useless to dwell on isolated incidents occurring in the hostilities. If a committee were set up to examine all the facts of each incident, they might possibly say that one side or the other was right. But emphasising and generalising the often one-sided picture of the incidents reported in the Press tended to distort the whole picture. His task, as an observer with an understanding heart, had been to draw a more balanced picture of the entire situation than the one current in the West at that moment. He had not tried to justify or blame Japan or China or any other Power. Behind the appearances of the struggle were currents and cross-currents which should be understood and directed in the interests of all.

Then Communism had been mentioned. When a Britisher and a Japanese spoke of Communism in China, they were often talking at cross-purposes, and their differences were mainly due to their psychology. In England, in a more cool intellectual atmosphere, Communist theories of Marx and Lenin were freely discussed, emasculated, and given a proper seat in the "Museum of Political and Economic Theories." People saw no serious harm in them. The Japanese, however, took Communism very seriously, and reflected whether the world-outlook involved in it was the right thing for them to adopt. It was the task of educators to decide whether it was the right theory for the guidance of the nation's entire life. The Japanese were more like the Greeks in this respect, that they took every philosophical doctrine seriously, wondering whether it might be practicable and what bearing it should have on their entire life. Of course, in so far as the Chinese problem was concerned, it was known in Japan that Chinese Communism was not Communism in the true sense. It was mainly a primitive movement of the discontented farmers against the landlords, agitated by the Communists, and it included such peculiarly Chinese features as the freedom of marriage! It was very difficult for poor Chinese to get married, as the bride had to pay a great deal of money to the parents of the bridegroom. The Japanese knew also that in Russia itself Communism had transformed itself into something else. From the Japanese military standpoint perhaps it was not so much Communist theory as such, as the menace of the Soviet Union as a military Power,

which was considered the more important; but the British should understand that more than the military and economic standpoints were involved when Japan talked about Chinese Communism.

His dominant desire in his address had been to grope after some constructive formula by which Japan, China and other peoples might live together in the future, and he thought this desire was shared by the audience, whom he thanked for their interest and attention.

COLONEL STEWARD (in the chair) said that at the gathering of learned professors which he had attended the other evening they had decided that the sovereignty of the Western Powers should be dissolved before they blew themselves to pieces. Evidently this was just as much to be feared in Asia as in Europe. He knew that in the past the Chinese had been frightened of a *rapprochement* between Japan and Russia which could only take place at the expense of China. Again, nearly five years ago he had been nearly arrested for contravening A.R.P. regulations in Tokyo. The Japanese had started long before the British, although they were so many more miles away from Vladivostock than the latter were from any hostile Power in the West.

Russia, on the other hand, feared that China would be forced into the Anti-Comintern Pact, and naturally would endeavour to stop such an occurrence. Thus fear in the East was one of the root causes of the present struggle.

The lecturer's address had been both interesting and courageous, as had been his answers to questions. He had been at a disadvantage, as he had known that the Press and public opinion in Great Britain was not favourable to Japan, and had also had to answer questions in a foreign language. He was to be heartily congratulated and thanked for his kindness and his excellent lecture.

IMPRESSIONS OF THE BRITISH COMMONWEALTH RELATIONS[1] CONFERENCE, 1938

ERNEST BEVIN

BEFORE I begin to deal with the subject to-night, there is one matter that merits reference with regard to the British Commonwealth Relations Conference, and that is that unfortunately two of those who attended the Conference have since passed away. One was our good friend Mr. Edward Hume Blake from Canada, who during his return by air died very suddenly, and the other was Mr. C. A. S. Hawker, the member for the Division of Wakefield, South Australia, in the Federal Parliament. I think all who attended the Conference will agree that he was a great asset, a great character, and one of the leading citizens of Australia. It came as a great shock to us to know that these two friends had passed away so suddenly.

I was asked to speak to-night on my impressions of the British Commonwealth Relations Conference, and, therefore, I shall not attempt to give a report on the Conference so much as to try to convey the impressions that I formed as a result of attending the Conference.

This Conference was a very peculiar one to me, because it was the first I had ever attended at which nobody had to come to a conclusion about anything. Another difficulty (especially to people like myself) was that you were limited to three-minute speeches. I have no objection to that being applied to Parliament, but I think it a bad thing for a Commonwealth Conference, because it is very difficult to deal in three minutes with the relations within such an important empire as the British Empire. What you really had to do was to remember what you had said in the first three minutes, and then jump up again a long time afterwards and try to connect it up, and get in as many three minutes as you could. How successful the members of the British group were in that respect I will leave others to judge, but on the whole I think that, if there is a British point of view at all (and I can assure

[1] *Address given at Chatham House on November 22nd, 1938; Professor Sir Alfred Zimmern in the chair.*

you that in presenting it Lord Lothian was, in my opinion, more evenly balanced than at any other time in his life), it was presented in the best possible way.

But, running through the whole discussion and the constant repetition that took place under the various heads, we found ourselves constantly brought back to about five or six main points which can be regarded as the most prominent matters exercising the minds of all the representatives who were there. I put them in this order: the Commonwealth and external affairs, defence, constitutional problems, trade—colonial and empire, migration and social problems. These heads really represent the subjects which were predominant in the minds of those attending the Conference. I propose to deal with the impressions I received on these points, in the order I have submitted them to you.

Taking external affairs first, there were two lines of thought running through them. One was an inherent desire to direct the external affairs of the Commonwealth to a given objective, if that could be found possible. In doing that, however, there was the very strong reservation that there must be no difference in the responsibility of each constituent part of the Commonwealth. I felt that we were considerably handicapped in getting to grips with this problem of foreign policy owing to the loss, or lack, of confidence in the conduct of foreign affairs since the War here at home. It must be remembered that the Commonwealth countries had had their policy directed towards the League of Nations. They had become constituent parts of it, and had played a very considerable part in its development, and suddenly (almost suddenly), after a series of events which I need not mention, the League of Nations almost broke down. But notwithstanding the breaking-down of the League of Nations, it will be agreed that the great objective in the minds of the delegates at the Conference was still to resort to some kind of collective effort in order that this Commonwealth may be directed to the re-establishment of world order in some form or other. I formed the opinion, as a result of discussions outside the Conference, both in New Zealand and Australia, that the reasons for the lack of confidence in Great Britain could be expressed briefly as follows: "We increased our National Debt. We paid the price in manpower in common with the rest of the Empire, but we have in the main left the conduct of affairs to the Home Government, and in the handling of the affairs of Europe arising out of the

Peace Treaties generally you have landed us in a worse position than we were at the close of the War." This was running through the minds of a very large number of people both inside and outside the Conference. In the rather keen discussion as to responsibility for this matter we had what was to me a revelation, namely, that one of the big contributions to the policy of the home country in relation to the Manchurian affair was influenced by Australia herself. I do not think the people of this country had any idea of the pressure put upon the Home Government by Australia against the adoption of anything in the nature of sanctions in 1932, because of Australia's own fears. I doubt very much whether many people in Australia have any idea of the policy adopted at that time. Another very revealing fact came out, and that was in relation to Abyssinia. It was generally assumed that the aim of the Hoare–Laval business was to save the remnants of Abyssinia, but I think it was brought out very clearly that that step was really taken because of the reverses Italy had suffered, and it was really done to save Italy. This was known pretty universally in the Dominions, and this kind of deceptive tactic, starting on a road and not seeing it through, has left bewilderment and lack of confidence as to where the old country really is travelling in these matters. There was a generous attitude of mind among the members of the Dominion groups to any real drive to establish a sound world peace, and a willingness to make contributions to that end was indicated. But added to this problem, there was the Czechoslovakian affair, which was going on at the time of our meeting, and there again, to say the least of it, there is a tremendous lack of knowledge and understanding as to why we did what we did, and whether it was justified; and the feeling left at the present moment in my mind is one of absolute bewilderment as to where we really are travelling in this country.

I was also impressed by the psychological effect of a good many movements in this country. It was surprising to find how the propaganda and the stories relating to such institutions as the "Cliveden Set" and the Londonderry attitude in relation to Germany (I use that phrase for brevity), and the constant talk of Four-Power Pacts, and as to whether we were really striving to establish a Fascist bloc in Western Europe, were perturbing them. We had no clear answer to give them. They are intensely democratic, and they are considerably perturbed both with regard to the Press and certain influences operating in high quarters in this country, and as to whether we really are serious about

these liberties, or what price we are willing to pay for an alleged security by linking up with the Fascist Powers. We had to ask ourselves (at least I did) what is the best way to educate people at home and in the Dominions as to the real purposes of foreign policy, and the road we are really travelling, and the grounds for the changes we are making from time to time.

Personally, I came to the conclusion that the Imperial Conference, with all its secrecy, was too limited and circumscribed an arrangement to handle the affairs of a great Commonwealth of this character. In a democratic nation it is the people, after all, who must determine on the questions of war and peace, and the present method of handling external affairs between the Dominions and ourselves leaves, in my view, the people in the Dominions, as indeed one must confess even here at home so far as the masses are concerned, in a state of ignorance. The League, as a League, is not operative for the moment, and I took the view (which I hold even more strongly since my return) that one of the best steps to take at the present moment would be something in the nature of a League Assembly of the British Commonwealth itself, in order that all the parties in the Commonwealth might be represented, and the facts relating to external affairs and other matters might be discussed freely and in a manner to give confidence to those who have ultimately to share the fate of the decision of governments in these matters. And while there was a certain amount of fear, as there usually is in these matters, that such an Assembly would make inroads on executive decisions, and it was argued that even the League decisions were come to behind closed doors and in various surreptitious ways, yet I thought that such an arrangement might even lead to an extension of the Commonwealth idea and provide a basis upon which to begin building up again a League of Sovereign States, something that could be made workable and restore confidence throughout the Commonwealth. This is extremely vital when you recognise that parties in the Commonwealth are very evenly divided, and that while in this country we have only had short periods of Labour Governments, such governments will be almost a permanent feature in the Commonwealth countries at no distant date, and it is very vital. that the fullest and most responsible knowledge of affairs should be generally available. One other point, we found in handling these problems of external affairs that a variety of practices were advocated. Australia, for instance, wanted the fullest system of consultation with the British Foreign Office, and exercised it to the full; but though she had full consultation,

it was not felt to be quite the same thing as if the Cabinet in her own country were represented in the various parts of the world. And, on the Labour side in Australia, it has now become a cardinal point of policy that, instead of this form of second-hand information through the British Foreign Office, they should establish contact with the other nations of the world direct.

The next point to which I want to refer is the question of defence. I think our military and naval colleagues put forward constructive ideas and proposals which ought to lead, if taken up by the Governments, to practical results. As I understood them they recommended acceptance of responsibility by Commonwealth countries for given areas, based on territorial position, the whole to be dovetailed and linked into a general defence plan. But in this defence problem, you have to remember that in Great Britain we are bound by the Eden declaration of April 1937, in which the British people, without question, without being able to say anything, must, if that pledge is put into effect, go to war to defend any part of the British Empire and the countries with whom we have treaties. On the other hand, a very striking thing is that the Dominions, and I do not think they quite appreciate the point, have no reciprocal obligation, if their interpretation of their rights under the Statute of Westminster is correct. And I feel quite sure that, if the British people were conscious of the fact that they are under an obligation to go to war to defend any part of the British Empire, whatever the nature of the quarrel, and, at the same time, that Canada, or any other part of the British Commonwealth, can at the last moment through her Parliament declare her neutrality, they would not be a party to such a binding undertaking. I am sure that fact is not consciously realised by the people of this country. There appear to be great divergencies in opinion on this question. We had a large number of professors with us, and there was a tendency to belittle them, but I am impressed by the fact that, so far as Canada is concerned, it is out of the Universities that the new Civil Service will come, it is out of the Universities to a very large extent that those who make policy in Canada will be found, and, if the theories and the attitude to the defence problem and the constitutional problem, to which I will refer in a moment, gain ground —and they are gaining ground throughout the British Commonwealth—then the quicker the whole matter of defence is placed on a sound and agreed basis the better it will be for the Commonwealth as a whole.

Therefore, the theory that there is such a thing, as the Irishman put it, as a divisible Crown seems to me to be perfectly farcical, and would not hold good in a crisis of that character. It may result in secession at a critical moment, or it may result in disruption, but, what is worse in my view, it may lead to the building up of a strategical policy by the Imperial defence authorities which may break down at a critical moment unless an understanding is arrived at between the constituent parts of the Commonwealth. In the light of the discussions at the Conference I say that these great divergencies which exist ought not to be left to be settled or dealt with at the moment of crisis. It is better, even if we have to sacrifice the principle of sovereignty as it is now understood, to put this defence and constitutional business on a sound understandable footing, not only that we may understand it in this country, but so that the citizens of the other countries may have to face their own responsibilities in their own countries. Such a change would be better for all of us.

You will find that Canada does not desire to be consulted on foreign affairs, and this illustrates my point, if one is to take the view of the Canadian representatives. They say: "We do not want this close consultation, because by the very act of consultation we may be assumed to be entering into commitments." And that I suggest, for the sake of both parties, is a very unsatisfactory state. In Australia, as far as I could see, there were two lines of thought. The leaders of the Labour Movement are willing to shoulder enormous responsibilities for the defence of Australia. They are also willing, so far as I can understand their attitude—and I discussed it very closely with them—to go into this problem of defence so as to arrive at an understandable basis as to the contribution they should make, providing the decision is taken openly and with the full knowledge of the citizens of Australia. The other Party seems to go on the lines I have already described, of being content with consultation and waiting to determine its policy when the crisis arises: and therefore it makes it all the more important, if I may refer back to the point I made just now, to have some form of League Assembly in which the Home Government and the British people, as well as the Dominion people, can arrive at a common understanding in the interests of all the parties concerned.

Now, this affects seriously the question of finance. It is very doubtful whether the citizens of New Zealand and Australia, who have really to face great problems in the Pacific, have any idea

of the contribution which has to be made by the British people towards their security, and it has never been examined, so far as I know, in a practical and scientific way. The question of liberty of action was particularly emphasised so far as South Africa was concerned, and yet South Africa may represent the very centre of the problems that are looming ahead, and therefore I say that if a part of the British Commonwealth will not, in my view, accept obligations, neither do I think the British people should willy-nilly be called upon to give effect to the whole of the Eden declaration.

The constitutional question also gave ground for a good deal of discussion. It seemed to crop up in relation to everything else. One thing seemed to be very encouraging. We have satisfied all the constitutional lawyers and professors in Ireland; we do not seem to have satisfied them anywhere else. In fact Ireland tells us now that we are such good people that they will do anything for us. Only one handicap remains, viz., the Boundary question. But the impression left on my mind is this: that what I may describe as the Balfourian dexterity which seems to be typified in the Statute of Westminster has outgrown itself, short as the period is since that Act was carried. I am convinced that you will have to give the Dominions complete control over their own constitutions without interference from Westminster, and allow them to modify those constitutions in whatever way they deem necessary; and, as I have already said, you have to get rid of this fiction of the divisibility of the Crown. And here again I believe that if this problem is frankly faced at an Assembly of the Commonwealth, properly constituted, probably many of the difficulties and misunderstandings and suspicions that arise while nations are growing to full stature would disappear, and there would be less discussion of the constitutional points, and less worry about them, if once the matter were ventilated with all the parties present and full responsibility under the other heads was acknowledged. I recognise that trade, to which I will refer in a moment, and many other great problems would have to be solved at the same time, but when people become keen on these constitutional points, then it becomes obvious that it would be better to settle them as quickly as we can. It would certainly make the next British Commonwealth Relations Conference much more effective if the constitutional point were removed.

Bound up with that point, however, and with external affairs

and others, is the question of trade; and in the consideration of trade the problem of the Ottawa Agreements and Imperial Preferences obviously figured most largely. I believe there was a concensus of opinion that Ottawa in its present form could not be maintained. It was introduced, so it was stated, to try to counteract the effects of deflation; but if the Dominions rise to absolute constitutional liberty, as they claim the right to do, they cannot have their cake and eat it. I do not believe that they themselves can carry on negotiations for trade agreements with other countries and operate the Most-Favoured-Nation Clause honestly and maintain the Preference system. It is bound to create difficulties, and indeed I think, judging by the new treaty with the United States, that it is pretty obvious that it has been one of the great difficulties in the negotiations, and it has had to be modified to some extent. But our minds turned rather in another direction. We asked ourselves whether the Ottawa Agreement could be used to accomplish a wider purpose. We, for good or ill, have started on the Ottawa system. When an economy over such a wide area of the world between the primary producers and the manufacturing industries has been built up it is a very difficult thing to change it and to break it. On the other hand, the countries of the world are faced with the problem of freeing trade and using their economic position to make a contribution to world appeasement, and a very interesting discussion took place, and I submit it to you that probably the best thing to do would be to broaden Ottawa and invite other nations to join in it. In other words, those nations that are prepared to use Ottawa to come in on a lower tariff policy should be permitted to do so.

In addition, there was a divergence of views on a point which I am not really going to put now, but on which, on reflection, in view of subsequent world events I feel more strongly now than I did then, that the privilege of coming in and sharing in the newer system of exchange and the freer methods of the Ottawa system, which would result in the giving up of the Preferences to ourselves, should be reserved to nations who are willing to set aside the method of aggression, and so use Ottawa as an economic attraction over a wide area of the world to those States who feel willing to operate on a peaceful basis. I believe that if it is carefully examined, though it was not intended for that purpose when it was devised, the Ottawa Preference system does represent an opportunity to offer appeasement to a very wide area of the world and to make it economically worth while. I found, when

discussing this with friends of mine from Central Europe, before I went to Australia, that they said to me: "Talk anti-Hitler and you do no good. Germany is up against it, and as much anti-war as you are. If you keep offering us military pacts, military arrangements, it makes no appeal to the Have-Nots throughout the world; you should offer some appeasement." I think I can say that, while no conclusion was arrived at at the Conference, this idea made an appeal to many there as probably a road along which we in the British Empire, possibly in common with the great colonial Powers, though small countries, like Belgium and Holland, might be able as it were to open up on a new basis if Ottawa could be used for a purpose for which it was not intended in the beginning, but which is vitally necessary now, the purpose of appeasement. I think, however, that the citizens of the Commonwealth would all want an assurance that, if these markets were opened up and this new situation was created, it would not be used for aggression but rather for raising the standard of life of the people throughout the world.

May I now make a reference, though it was not discussed very much, to the question of the colonial Empire in its relation to the Commonwealth. There appears to be a general view that it was rather a mistake to bring the colonial Empire within the Ottawa system. We have departed from the traditional policy of trusteeship. We gave the impression to the world that we were creating a monopoly, and caused a demand to arise for the transfer of territory in a keener form and over a wider area than might otherwise have arisen. Here again I believe that if the Commonwealth as a whole, together with other Colonial Powers, could utilise the colonial territory to offer an entry for trade and development to non-aggressors, it would be a good thing; because when the colonial problem was examined in the Conference, I think all my colleagues will agree, it was not the economic position that agitated peoples' minds so much. For example, in the minds of the members of the Conference from Africa the question was: Will there be an air base in Tanganyika if we return it? What will be our position in South-West Africa if concessions are made? Wherever you examined the colonial position, there you found the problem of war and strategy immediately arising, and you were handicapped in dealing with the problem from the point of view of, shall I say, human necessity and human development, because of the awful fear that existed behind the minds of those closely concerned. If fear, then, is

the great handicap to dealing with this problem—and I think that is a correct description—if we wish to develop the world by economic means instead of by fighting, then would it not be wise to make it one cardinal point that, in any colonial discussion, it should be stated that those parts of the world at least should be disarmed, so that you remove one great cause of fear in your approach to the problem ? The second point in regard to colonial territories which I think is very vital and impressed itself on my mind, was the imperative need to look upon colonial territories from the point of view of development, and not merely from the point of view of strategy and raw materials. Great criticism came from the South Africans in relation to Bechuanaland and Basutoland. They allege that Great Britain has probably very good reasons why we will not give them to the Union, but while we will not give them to the Union, we will not develop them ourselves, and we are not utilising them either for the benefit of the natives or for ourselves. That was a charge I think which the British group could not meet, because we were not in possession of all the facts. But I know, as a member for a short while of the Colonial Development Committee some years ago, that one thing which did strike me was the sort of apathetic attitude towards the possibilities that existed as a contribution to world appeasement within these great colonial territories. I believe, interpreting the feeling of the Conference as a whole, that, taking the two things combined, the possibility of broadening the Ottawa system and of developing a great disarmed colonial Empire probably provides the best chance of offering appeasement which, if not accepted by those who desire war and aggression in this world, will appeal to that great moderate opinion which exists in all the countries which above all want peace rather than conflict.

Another point to which I desire to refer is the question of social progress. Here tremendous differences of standard exist. The story told by the Indians is a pathetic one. Whether or not the small alteration in the government of India will raise the standard of living quickly is another matter, but one of the great handicaps in dealing with people and migration is this conflict of standards and social services and the difference in development that exists. I was particularly struck by the attitude of mind towards the colour problem in Africa. It reminded me, only it was many times worse, of the village in England when I was a boy. The way they patronise and speak of the coloured men and their failure to recognise, indeed I do not think they do recognise, that

they are humans exactly equal with themselves. This insistence upon ascendancy will, I believe, in the end be disastrous to South Africa itself. In Australia and New Zealand great progress has been made in social services. On the other hand, Canada is extremely backward, and there is an essential necessity, especially in those parts of the Commonwealth in which the White predominate, to try to bring these standards more into conformity, in order that one may deal with the problem of the transfer of labour which is so essential for the development of these parts of the world.

With regard to migration, which is another problem dealt with in the Conference, but very lightly, I think the view we took, and strongly held, was that the problem of migration needs to be reduced to a business basis. It is quite obvious that in primary industries there is very little chance of absorbing many more people. On the other hand, these Dominions must have a balanced industry, and therefore it becomes a question of trade, and the question of training depends on the utilisation of skilled men at home to train other men to develop these industries in the Dominions. The skilled trade of your own country can only absorb a certain number. If others are to be trained, then it is essential that it be reduced to a greater precision than it is at the present moment, so that those at home who are training the others may know that there is a draft to the Dominions annually so as not to break down their own standard at home. I believe that, if migration is rediscussed and brought down to an idea of an ordered scientific development, instead of approached with the old attitude of mind of merely sending people out because you need them for defence or because you need to get rid of them, a great contribution can be made.

Finally I would like to say this, that I felt in the Conference that there was no desire to break up the British Commonwealth, no desire really to break away, and the underlying thought which seemed to me to be running right through was: Can we use this great association of nations, the old countries with their acknowledged experience and traditions and with all their finance, and the new countries arriving at full stature as nations, to bring about a combination, while not impinging on each other's rights, that may make a great contribution to a better world order?

Summary of Discussion

SIR ALFRED ZIMMERN (in the chair) said that he wished to emphasise that the British Commonwealth lived by positive ideals,

and could not flourish in a period of indifference or negative ideals. If British fellow-citizens overseas felt that there was a lack of direction or a forgetfulness of those ideals, if it seemed that the fact that freedom was its life's blood was being forgotten, then the pulse of the Commonwealth beat somewhat listlessly.

MR. C. H. LUKE, Chev. Leg. Hon., said, in connection with the lecturer's proposal for an Assembly of the nations comprising the British Empire, that an Australian Senator had once remarked to him that it was a pity that Great Britain did not state more clearly her viewpoint to the Dominions. She was too fond of diplomacy and hedging and of saying things " nicely." The Senator said that at one time foreign countries had been complaining about the treatment they received from Australia with regard to tariffs, without objecting to the British preference. The Senate had been informed by the Minister concerned that all was well, as he had conferred with the doyen of the Consular Service, the Italian Consul, and that there need be no trouble between the two countries, everything was going very nicely. Had the Minister been told that if Australia did not d—— well reduce her tariffs on foreign imports, those countries would raise theirs against her, he would have gained a more correct impression of the facts. Great Britain imagined that the Dominions liked to hear nice soothing things from the Home Country. This was an error. She would do better to be quite frank, and to disagree with them strongly at times.

He agreed that the Ottawa Agreements, if they remained in the future, might well be extended to embrace, at any rate, the nations of the sterling *bloc* in Europe, if they were to be fully beneficial to Great Britain and the Dominions. This view had not been expressed before either in the British or in the Empire Press, and the lecturer was to be congratulated on it.

LORD LOTHIAN said that it would be realised how relieved he had been, as the titular leader of the group from the United Kingdom, to find so able and stalwart a colleague as the lecturer at his side. While he did not accept everything which he had said, the lecturer had given an extraordinarily fair and accurate account of the general significance of the discussion which had taken place.

He wished to deal only with one matter which the lecturer had brought forward at the Conference and again during his address, that some better form of consultation between the members of the British Commonwealth must be found if the misunderstandings and estrangements on foreign policy which existed already, and which would certainly get worse, if nothing were done after the events of the past two months, were to be removed. A great deal of the misunderstanding was caused by the fact that under the present system, apart from interested propaganda from all sides, the ultimate responsibility in

European crises inevitably rested with Great Britain and only to a very secondary degree with the Dominions. Responsibility for ensuring the security of the British Commonwealth, and for the policy which would yield such security, necessarily rested primarily with Great Britain, who provided most of the power, but it was perfectly obvious that to-day it was not possible for Great Britain to assume this responsibility as it had done before the Great War. The British electorate was already asking why Great Britain should be under obligation to defend all parts of the Empire, while the Dominions claimed the right to be neutral if they chose. All over the Empire questions were being asked as to why international unity had not been secured at Geneva and why the proper superiority of armed force had not been available at the critical moment. It would only be possible to achieve a common Empire policy if the leaders in the Dominions were brought up against the realities of the situation, which often could not be published in the Press, instead of receiving telegrams from London which often did not reach all members of the Dominion Cabinets, and never reached either members of Dominion Parliaments or the general public. Unless there were going to be grave differences on foreign policy in the future the suggestion of the lecturer should be seriously considered that a regular Commonwealth Conference on foreign policy should meet regularly on quite a different basis from the Imperial Conference.

One of the weaknesses of the League in the early days had been that its Council and Assembly consisted entirely of delegations of Governments, so that the different views on foreign policy in cases of the different countries never became apparent. If there was to be anything like a common view about foreign policy throughout the Commonwealth it was essential that in the deliberations preceding decisions of policy there should be frankly expressed the divergent views existing not only inside the United Kingdom, but inside the Dominions as well. It might be possible, without in any way impinging on the final and absolute responsibility of every Parliament of the Empire for the policy which its own Dominion would take, for a Conference to be summoned in which the members from the different Parliaments would be elected by some system of proportional representation, in which at any rate the Opposition would also have representation, so that there might be a real discussion in the full light of day of the different interests of the Dominions and of their different views as far as foreign policy was concerned. After that discussion the Imperial Conference of Governments might meet to reach decisions. It was important that such an assembly should meet soon because if discussion continued to be confined to Governments there would probably be increasing divergence of views on foreign policy within the Commonwealth due to ignorance, which might be very awkward should another crisis arise in the near future similar to that which had arisen recently over Czecho-Slovakia.

MR. J. T. WALTON NEWBOLD said that with regard to the attitude of visitors from Eire to Australia, he was now living in that part of the British Commonwealth which was not under the British Crown, but which worked with the rest of the Dominions, and although the lawyers and professors might have seemed very satisfied with what had been accomplished in the second stage of Ireland's emancipation, those people who had joined the Transport Organisation, which was perhaps not so well disciplined as that presided over by the lecturer, might not be so easily persuaded that the question of the Border was one which might be left to time to work itself out. The reconciliation between the United Kingdom and Eire was proceeding very well, but it must not be thought that the Border question was of no account. This was certainly not the opinion of Irish emigrants in Australia and in the United States.

He agreed entirely with the suggestion of bringing the Oslo Powers within the Ottawa system. He had discussed recently the relations of the Oslo Powers with Great Britain and the two countries with whom she had come to a commercial agreement in the last two weeks, Canada and the United States, and he intended to study the question of how these countries might be brought together for commercial purposes. One of the great advantages of Chatham House was that it was a bridge between the two sections of the English-speaking world, and that one of its main piers was struck in the solid rock of British North America.

Thirdly, concerning strategy, when speaking of the Far East he had drawn attention to the desirability of a naval base being located in South Africa, which would be for the Southern part of the Empire what Great Britain was for the Northern part. This would be very largely decided by whether the latter would continue, after 1941, when a new President would be inaugurated in the United States, drawing closer to the United States. If the plan concerning a Pan-American Union came to fruition, it would be practicable and desirable to think of strategic relations with New Zealand and Australia through the Panama Canal, rather than through the Mediterranean and the Red Sea. In all these strategic matters it was important for Great Britain to be assured of the support of the Irish population in North America and Australia.

MR. ROBERT STOKES said there were many objections to the suggestion that the Ottawa Agreements should be extended to the Sterling Bloc Powers. It would affect, for example, New Zealand butter and Canadian timber and many things of that kind; but the most serious objection, from the point of view of the future of the Empire, was that it would greatly discourage British capital from going into the Dominions in order to build up the secondary industries which were essential in order to increase migration from the home country to the Dominions. The new pact with the United States would make every

industrial concern in the Dominions uneasy about the entry of American products into its own land, and consequently less attractive to British capital.

He welcomed the suggestion of a permanent conference or "Assembly" representing all the Dominions. It was to be hoped that the proposal would receive widespread support in Great Britain and throughout the Empire. Such a conference at the present time would be invaluable, for instance, in dealing with the problem of Jewish refugees. Then matters of foreign policy and defence could be dealt with immediately. Such a conference or Assembly might not be so valuable if it were too long postponed. It would be most useful to give such an Assembly real executive and administrative power. Lack of such real responsibility had been one of the weaknesses of the League of Nations. Mention had recently been made of a suggestion for the internationalisation of parts of the Colonial Empire or the Mandated Territories. Any such undertaking would be purely artificial, and would fail for the same reasons that the League had failed. International colonial administration had always meant pestering the administration for statistics, so that the officials, instead of travelling about getting to know the natives and learning their language and customs, spent their time filling in forms and compiling statistics and answering endless conundrums for bodies like the Permanent Mandates Commission. Internationalism meant futility and backwardness for colonial territories, but to hand them over to a body such as a Conference of the whole Empire, to which India with her new status would presumably be admitted, would be very well worth while, and would be starting the Conference with a constitution having in view that cardinal principle of Empire government, the fostering of the interest of the Dominions in the dependent Empire. In the Dominions, as elsewhere, there were idealists and realists. The latter would be interested in the colonies from the point of view of markets and raw materials, while the idealists would be interested in such great ideals as the principle of indirect rule in Africa, Malaya, India and elsewhere, trusteeship and the dual mandate in Africa, and self-government for those people who were ready for it. In this way the Dominions would become more conscious of the colonies through the new permanent Conference and the Empire would be strengthened.

MR. R. T. E. LATHAM said that there had been much sound appreciation of Australian views and policy in the address. He did wish to deny the myth that Australia had been the villain of the Manchurian tragedy. The failure of Anglo-American co-operation on that occasion might intelligibly be regarded as the fountain-head and origin of the world's present difficulties. His sources of information were no better than, if as good as, that of the lecturer. Nothing had been published which was authoritative; but was it likely that any independent pressure would have come from Australia on this topic?

Australia had then partly developed what she had now fully developed, a very close system of consultation with Great Britain. The latter was usually her only source of information on foreign affairs. At the time of the Manchurian affair there had not even been a trade representative of Australia in the Far East. All the authentic news concerning the situation had come through the British services. It was well known that all the news coming from Japan to Great Britain at that time had passed through a strong anti-League filter. There had been a complete disbelief in the possibility of League action. This view had been transmitted to the Australian Ministers, and they had formed their opinions accordingly. At that time there could hardly be said to have existed an Australian public opinion on foreign affairs. It was important that such a thing was beginning to exist. For the present Australia reflected back the information and opinions she received from Great Britain. For this reason it was unwise to pay exaggerated attention to Dominion views on foreign policy when they happened to coincide with those of the British Government. Those views had been to a large extent formed by the latter. This must continue to be so until the Dominions developed and were responsible for a genuine foreign policy based on public opinion; and the growing pains of such a development might be even worse than the inconvenience of the present situation. The attitude of Australia over the Manchurian affair had been a pure reflection of that of the British Government. A more recent example was the telegram from the Prime Minister of Australia, which had been very opportunely read in the House of Commons, concerning the bringing into force of the Anglo-Italian Agreement. This was pure reflection, and it was a grave mistake to attach much importance to such expressions of opinion from the Dominions.

MRS. LUCY MIDDLETON asked whether the suggestion to include all the non-aggressor States in the Ottawa Agreements had met with opposition from within each group from all parts of the Commonwealth, or whether there had been a division of opinion between one section of the Commonwealth and another. If the division of opinion cut across all sections of the Commonwealth, there would be more chance of progress.

Concerning social legislation, was there any movement towards the unification of social legislation in the different parts of the Commonwealth? She had known an old-age pensioner from New Zealand who had had to come to Great Britain and had thereby lost his pension. The same might happen to anyone going out from Great Britain. Some form of unification of social legislation to prevent this type of occurrence would be valuable.

SIR JOHN PRATT said that as one who had some knowledge of the Manchurian affair, he would like to assure the fifth speaker that

Australia had been in no sense responsible for the non-application of sanctions at that time. The first time he had heard that this suggestion had ever been made was at the Sydney Conference last September. The story there told was that, at a critical period of the Sino-Japanese dispute, when sanctions were under consideration at Geneva, Australia had received information that an Expeditionary Force was being prepared in Japan whose objective might be Australia. Apparently the Australian Government had believed that this was the form Japan's reply to sanctions might take. As she very naturally did not want to become involved in hostilities, Australia had telegraphed to the Home Government that the application of sanctions would be very unwise, as it might expose Australia to such action. He had tried in discussions outside the Conference to remove the misapprehension that it had been Australian influence on the British Government which had prevented the imposition of sanctions at that time. The reason why sanctions had not been imposed at the time of the Manchurian dispute had been that the United States Government and the British Government, and all Governments represented on the Council and the Assembly of the League, had been of the opinion that sanctions should not be applied. The matter had never even been discussed by any responsible statesmen. Public opinion seemed to have been very much misled on this matter. For example, in the account of the Manchurian dispute in the annual *Survey of International Affairs* published by the Institute, the Lytton Report was hardly mentioned. Anyone studying the Lytton Report with an objective mind would see that, according to the facts of the situation, there had never been any case for applying sanctions. There had only been a case for mediation, and this was what the League had tried to do and had failed. Yet this had not been brought out in the *Survey*.

Again, the failure of Anglo-American co-operation at this time had been mentioned. It had been the considered view of the United States Government that sanctions should not be applied in this case, but that everything possible in the way of mediation and the bringing to bear of world opinion should be done. The British Government had come independently to exactly the same conclusion, and the British Foreign Secretary had been mainly responsible for the adoption by the League and for the putting into operation of the policy advocated by the United States, the policy of the non-recognition doctrine. So far from having been a failure, Anglo-American co-operation had been carried through with complete success.

MR. J. H. HUMPHREYS said that in view of the urgency of a Commonwealth Assembly, he hoped that full debates on this question would be initiated in both Houses of Parliament. To what extent had the proposal been accepted by the British group and other groups represented at the Conference in Australia?

He thought that the importance of Mr. de Valera's declaration with regard to Ireland had not been sufficiently appreciated. Mr. de

Valera had suggested that there should be a Parliament for all Ireland with autonomy for Northern Ireland. The suggestion had been turned down in Northern Ireland on the ground that the majority in that State would, in no circumstances, give up their position as citizens of the United Kingdom. It was desirable to consider all possible ways of meeting this objection, which was important. It might be met by the establishment of a Council of Great Britain and Ireland to deal with matters that concerned both countries, such as trade, defence, currency. The problem of Ireland was sure to arise again, and it should not be left until difficulties arose compelling a last-minute solution. Mr. de Valera's suggestion should be very seriously considered, and plans for settlement examined and pursued. It was desirable to develop still more the present good relations existing between Great Britain and Ireland. To remove the last vestige of difference between them would be a contribution of great value to the solidarity of the British Commonwealth of Nations.

MISS SCOVELL said that concerning colonial policy, South Africa's contention that Great Britain was not developing Bechuanaland or her other African colonies in the way she should in the interests of the native peoples or in the wider interest of the Empire, was perfectly valid. It was only necessary to read the annual reports published by each colony to see how little Great Britain was doing for her colonial Empire. The Labour Government had introduced a Colonial Development Fund in 1931, but this had only consisted of one million pounds divided amongst thirty-three colonies, and this year, in spite of requests and protests from people in influential positions, the Government had reduced it to half a million.

Lord Dufferin had outlined the Government policy at an important Conference in November last, saying that exports must precede education and the development of the social services; but exports suffered from lack of roads, water and transport, and how could the intensive cultivation of exports be carried on by a people suffering from malnutrition, sickness and lack of education?

MR. LATHAM said that he had not intended to convey the suggestion that there was a failure of Great Britain and the United States to co-operate over the Manchurian dispute, but that their policies, whether co-operative or independent, had failed to do what could have been done and should have been done.

MR. A. H. BYRT said that he would like to ask a question which occurred to him as one who had spent between thirty and forty years in India. It concerned the bewilderment which Mr. Bevin found to prevail in Australia over British foreign policy. Owners of wireless receivers in India often derived entertainment from listening-in to German short-wave news broadcasts, in English, on international affairs. The point was not that those broadcasts were propagandist,

but that they interpreted events from a viewpoint different from the British. Now, British listeners-in who lived in India also had a viewpoint different from that of people in Great Britain. For them, therefore, the German versions of affairs threw interesting sidelights upon the British news of them. Knowing the British home viewpoint as well as having their own, in India, they knew how to assess the value of the German. It seemed to him that to people in Australia or elsewhere who had not lived in Great Britain, and could therefore not fully appreciate the British outlook, broadcasts from Germany, Italy, America and other foreign stations might easily produce such feelings of uncertainty and bewilderment as Mr. Bevin discovered. His question was whether Mr. Bevin found that to be happening in Australia. Because, if it were, then a constant effective popular correction in addition to a conference of Commonwealth Governments would seem to be indicated.

LADY STEWART said that it had been stated that emigration to Australia must be planned on economic lines. This was true; also it was a matter for the Australian Government, and not the Home Government, to decide. She wondered, however, whether the lecturer had noticed any willingness to admit a certain number of immigrants such as the German refugees, both from the humanitarian point of view and because they might become valuable citizens in the future. Secondly, had he noticed a more broad-minded attitude to Indians on the part of Australia, South Africa and other Dominions?

MR. ERNEST BEVIN said that a good deal of attention had been given to the question of immigration into Australia from India, but there was involved the policy of a White Australia, and he saw no likelihood of it being changed. Australia's point of view—and this applied equally to refugees—was that she desired to receive immigrants who could be absorbed into the national life. There was opposition to receiving minorities who, by reason of their race, religion or colour, could not intermarry into or become part of the stock of Australia.

With regard to immigration generally, it was desirable to reduce it to a business-like procedure. There must be some reciprocity in the social services and arrangements between the Trade Unions, so that a man entering any of the Dominions, or the United Kingdom, was not looked upon as automatically taking someone else's job. This was important, because it would be impossible in the future to send landsmen from the Home Country. There were not a great many people available in Great Britain in any case. It was not a question of wholesale emigration, but of scientific selection and training, in order to build up the new industries which were required in order to create a balanced economy in the Dominions.

Concerning the statement that the extension of the Ottawa Agreements would prevent capital going into the Dominions and colonies, was not the answer that the great expansion and colonial

development which had taken place from Great Britain to colonial territories in the past had taken place in an era of free trade? Capital expansion from London was hampered at the moment because, in spite of Ottawa, free exchange was considerably restricted. Thirdly, was it not true that at the moment there was over-production from the point of view of the standard of consumption of primary products? Therefore, it was necessary to increase the consumption of primary products over a very much wider area of people whose standard of living needed to be raised. To give people butter instead of guns would greatly benefit Australia and New Zealand. At the moment, even with the monopoly but with a virtually restricted exchange, trade with London was not nearly so great as it had been during a period of free trade. In spite of the monopoly, there was a restricted volume of trade, owing to the fact that there existed no longer the vast volume of exchange in Central Europe. It was a striking fact that wherever poverty was at the highest, the two foods which had the highest consumption were bread and margarine. Immediately the standard of living was raised, it became meat, vegetables and butter. To increase consumption of these products over a very wide area would be of great benefit to the Dominions. The same thing applied to the colonies. If the standard of living were raised over a wide area, the demand for production would be unlimited. The only handicap was the limited outlook of the manufacturers.

Concerning broadcasts, the point was that in a totalitarian State they had absolute control as to what could be said over the wireless. It was said that there was no ideological war, but there could not be such things as rival ideologies without their being at war. Democracy believed that man would attain his highest state if the facilities to use his reason were kept as free as possible. This was challenged by an ideology which said that man must not use his reason, it was his but to obey. If it were desired to convert the Commonwealth into the nucleus of a new world order, it would be necessary to obtain the acceptance throughout the Commonwealth of certain broad principles of policy. There could be much divergency of opinion as to the efficiency with which the component parts of the Empire carried out such principles, but once they were established on a really broad base, then a propaganda could be put across stressing the broad objectives which British policy was striving to attain. It was also necessary, secondly, to see that the necessary strategic equipment was available in order to protect oneself and ensure the realisation of one's policy. It was essential, for this purpose, to call together all Parties, so that all might discuss together and be faced with the same problems. Notwithstanding Party differences and divergences of opinion, it should be possible to find broad lines upon which a united Commonwealth policy could be based.

He had not wished to blame Australia for the failure over Manchuria, but had used the example to point out that very few

people in Australia had known what Australia had done, and to-day very few people seemed to know what she did with regard to foreign policy. The position was a very convenient one for the British Government. There was, in fact, a great Pacific problem, and the focal point of the next struggle might easily come in South America or Australia. It was necessary for the public everywhere to realise that such a situation existed.

Concerning Abyssinia and the Hoare–Laval plan, consideration for Mussolini might have been indirect, and the Stresa Front might have taken precedence over the Italian reverses, but the last person to be considered had been the unfortunate Emperor and the country which had been encouraged to fight and then left in the lurch. It would be better never to start along a road of policy than to start and then to abandon it midway. This was the type of thing which created misunderstanding.

He knew that the boundary question in Ireland was very acute—in fact it was so acute that no Trade Union official visiting the country ever mentioned it. It was to be hoped that the extension of the Ottawa Agreements would ease the situation. The high tariff system between North and South had led in Ireland to the development of two different economies. Anything which tended to modify this and approximate their two economies would lessen the tension between them, and would make the religious and political difficulties easier of solution. It was to be hoped that the matter would soon be settled, because Great Britain seemed determined never to be without an Ulster. She was now creating another one in Palestine, which would be ready as soon as the Irish question was settled. This was a pity, because it was not good for Great Britain nor for the people concerned.

EUROPEAN DIPLOMACY BEFORE THE WAR IN THE LIGHT OF THE ARCHIVES [1]

Dr. G. P. Gooch

Among the manifold results of the World War was the opening of the archives. The Bolshevists led the way by the publication of secret treaties revealing the Imperialist ambitions of the Tsar and his allies. The Germans followed suit with the Kautsky documents on the outbreak of the War, and proceeded to unveil the story of German diplomacy from the creation of the Empire in the colossal enterprise known as *Die Grosse Politik.* The German editors' hope that their example might be followed by the victorious Powers was speedily fulfilled. In 1924 Mr. Ramsay MacDonald decided to break the seals; and Professor Temperley and I were invited to select documents illustrating British statesmanship from 1898 to 1914. It was well understood that we should have a free hand. Not only did the Foreign Office make no difficulties, but it supported our resistance to attempts by more than one foreign Power to secure the omission of documents. Had these attempts succeeded, we should have resigned. In 1926 the Poincaré Ministry announced the creation of a Commission to publish the French documents between the wars of 1870 and 1914. The German and British undertakings are complete, but the French is still in progress. In 1930 the Austrians suddenly presented us with eleven thousand documents on the last six years of peace. In 1928 the Russians announced a large-scale revelation, beginning with the last three years of Nicholas II, and the first volume of the German translation appeared in 1930. Italy alone of the Great Powers keeps her treasures under lock and key.

Well over a hundred massive volumes of this official material lie before us. So far as diplomacy is concerned, we know the mind and face of Europe during the generation before the World War as we know no other epoch in history. Verdicts on men, policies and events will continue to differ, for there is no absolute standard of political wisdom and virtue; but uncertainty as to

[1] Address given at a meeting at Chatham House on October 25th, 1938, by Dr. G. P. Gooch; Professor C. K. Webster, Litt.D., F.B.A., in the Chair.

what actually occurred is at an end. Bismarck used to say that true history could not be written from official documents, since the historian is not always aware what was in the minds of their authors; but it is equally true that history cannot be written without them. Moreover, the various series I have mentioned contain an overwhelming mass of material never intended for the public eye. With the aid of private correspondence, departmental memoranda and confidential minutes, we are enabled to watch the makers of history at work, to reconstruct the development of situations and ideas. Biographies, autobiographies and diaries cannot be neglected; public declarations and parliamentary debates must be kept in view. But the only solid foundation for our knowledge of pre-War international contacts is the material which records from day to day, and sometimes from hour to hour, the impressions, the anxieties, the plans and the decisions of the men at the helm. I have attempted to reconstruct the diplomacy of pre-War Europe in the light of the new evidence in my latest book, *Before the War.*

Since an hour is far too short to summarise the revelations of the Powers which have opened their archives, we must content ourselves with a *causerie* on our own. But let us first cast our eyes farther back. The two governing urges of our people for the last four centuries have been the development of ordered liberty at home and expansion overseas. Since geography is the mother of history, our pitch on the north-western fringe of the Continent is the master-key to our diplomacy. To make and to hold an Empire it was essential to secure and maintain supremacy at sea. "What shall we do to be saved in this world?" asked Halifax the Trimmer. "There is no other answer but this: Look to your moat. The first article of an Englishman's political creed must be that he believeth in the sea." These words were written in 1694.

Next to naval supremacy our course has been shaped by the doctrine of the Balance of Power. There are various interpretations of this celebrated formula. To my mind, it means the determination, partly conscious and partly instinctive, to resist by diplomacy or arms the growth of any European State at once so formidable and so actually or potentially hostile as to threaten our national liberties, the security of our shores, the safety of our commerce or the integrity of our foreign possessions. Long before the invention of the aeroplane we were too close to the Continent to be indifferent to its concerns. We grappled at different times with Spain, France, Russia and Imperial Germany.

Readers of Mr. Churchill's masterpiece will remember Marlborough's conviction that he was fighting not for territory, but to prevent the domination of Europe by Louis XIV. If we had gone to war a few weeks ago, our object would have been, as it was in 1914, to uphold the Balance of Power.

After the fall of Napoleon we were united in desiring to keep our hands free, to trust to our fleet for the security which other States sought in alliances and conscript armies, and only to plunge into the fray if our vital interests appeared to demand it, or treaty obligations were at stake. The policy familiarly known as splendid isolation, or, as I should prefer to call it, watchful independence, seemed the wisest course till the close of the nineteenth century. Salisbury stood by it till the end of his career. The face of Europe was continually changing, and he felt no confidence in any Continental Power. He shared Palmerston's conviction that England has no eternal friendships and no eternal enmities, only eternal interest. As the old chess-player bent over the board he congratulated himself on his liberty to choose his moves. In his own unconventional phraseology, " British policy is to float lazily downstream, occasionally putting out a diplomatic boat-hook to avoid collisions."

Salisbury was typically English in disliking large-scale commitments and in being always ready for a deal. The first significant revelation in *British Documents on the Origins of the War* is his proposal to Russia for a delimitation of spheres of influence in China and Turkey, a promising overture, terminated by the seizure of Port Arthur in 1898. When, however, we were invited by Germany in 1901 to enter the Triple Alliance, he pointed out in an impressive memorandum that the liability of having to defend German and Austrian frontiers was heavier than that of having to defend the British Isles against France: the German Ambassador spoke of our isolation as becoming a serious danger for us; but it would hardly be wise to incur novel and most onerous obligations in order to guard against an imaginary danger. Lansdowne was more ready than his chief to consider some limited scheme of Anglo-German association, but he was equally opposed to entanglement in the meshes of the Triple Alliance. There is a conflict of testimony between the German and British documents as to which side initiated the alliance discussion. Eckardstein declares it was Lansdowne, while Lansdowne attributes it to Eckardstein. Most of us will prefer the testimony of the Foreign Secretary, not because he was our own countryman, but because Eckardstein was hampered by the

injunctions and suspicions of Holstein. Whoever started it, the project of an Anglo-German alliance collapsed, and was never revived.

The most important revelations in our early volumes enable us to reconstruct the formation of the Entente Cordiale. The years 1902–4 witnessed two epoch-making changes in our history. In the first place, with the annexation of the Transvaal and the Orange Free State, following closely on the conquest of the Sudan, the greatest Empire in the world became at last territorially satiated. It makes all the difference to a nation's policy if it is contented with its lot. Henceforth our chief task was to keep what we had, and to develop our resources. The second transformation was the swing over to Continental commitments. Chamberlain was not alone in sensing the perils of isolation at the turn of the century. The new course, however, which was a continuous process, not a single event, was due to foreign initiatives rather than to a deliberate shift of purpose. The Anglo-Japanese alliance of 1902 was an offshoot of Japan's rivalry with Russia for the mastery of the Far East, and the protracted negotiations which led to the Anglo-French treaty of 1904 were the fruit of Delcassé's longing for Morocco. That our price was the recognition of our occupation of Egypt was an unexpected development, but he had no means of escape.

Which side got the best of the bargain? Each Government announced that it had gained its essential demands and incurred no serious sacrifice. The kernel of the whole transaction was the Egypt–Morocco deal, on which the verdict of Lord Cromer, who took a leading part in the discussions, is of peculiar weight. When a deadlock occurred in January 1904, he was terrified at the possibility of losing the glittering prize that was almost within his grasp, and he intervened with a telegram urging concessions.

> "I have little doubt from what I hear on the spot that the danger of a breakdown of the negotiations is serious. . . . It has to be borne in mind that the French concessions to us in Egypt are in reality far more valuable than those we are making to them in Morocco. Moreover they can greatly hamper us here, whereas if they choose they can carry out their Morocco policy without our help."

The most piquant feature of this episode, as we learn from the French documents, is that France's greatest diplomatist, Paul Cambon, pulled the strings to which Cromer danced. For it was at his suggestion that the French Chargé in Cairo was instructed to tell Cromer, as if the warning came from himself, that the

Egyptian settlement depended on compensation for Newfoundland. The ingenious plan worked without a hitch.

When the reconciliation had taken place, the *détente* became an *entente* which the French unceasingly strove to turn into an alliance. It was an exciting quest for the editors to attempt to discover the origin of the legend of an offer of an alliance and of armed support during the Tangier crisis. No such offer was ever made by the British Government. Lansdowne merely observed to Paul Cambon that the two Governments should keep one another fully informed and should, so far as possible, discuss contingencies in advance. His words were repeated in a letter, interpreted by the French Ambassador as an invitation to a general entente which would in fact amount to an alliance. Delcassé accordingly informed his colleagues at his last Cabinet on June 6, 1905, that an alliance had been offered, and he reiterated the statement to the end of his life. It is a curious instance of an experienced statesman taking the wish for the deed. He was doubtless misled by the fact that the Franco-Russian alliance germinated from the formula of consultation in 1891.

France failed to secure her alliance, but events came to her aid. Her apprehensions on the eve of the Algeciras Conference induced the British Government to sanction non-committal conversations between military and naval experts. A formal promise of military support in the event of an unprovoked German attack was refused; but the authorisation of military conversations was a new departure, and should have been reported to the Cabinet at the earliest opportunity. "I do not like the stress laid upon joint preparations," wrote Campbell-Bannerman. "It comes very close to an honourable undertaking." The French request, in my opinion, could not have been declined; but Grey never seemed quite able to realise how far he had gone in transforming the limited treaty obligation of diplomatic support in the Morocco question into a working partnership, which after the Agadir crisis became a defensive alliance in all but name. What was dimly recognised in London was more clearly understood in Paris and Berlin. Rosebery expressed regret and apprehension at our Continental entanglements, but he stood alone. Salisbury was dead, and the policy of splendid isolation was buried in his grave.

Members of the Institute may be interested in my notes of a conversation with Lord Grey shortly before his death:

Gooch: If you had consulted the Cabinet in January 1906 about your conversations with Cambon, as you now agree would have been

wise, would you have met with opposition? In other words, would it have made any real difference to history?

Grey: I don't think so. Campbell-Bannerman and Ripon, as well as Asquith and Haldane, knew and approved. We should doubtless have had criticism, but not, I should say, opposition. It was impossible to refuse the French request for military consultations. That would have been to undo all the work of 1904–5. Besides, we made it clear that we were to remain absolutely uncommitted.

In the autumn of 1906, during the lull which followed the anxieties of Algeciras, Eyre Crowe drew up his celebrated "Memorandum on the Present State of British Relations with France and Germany." It is the longest document in our collection, filling twenty-two large pages of small print. Copies were circulated to the members of the Cabinet, and I had my first sight of it twenty years ago in Lord Morley's library at Wimbledon. The German translator of the *British Documents*, Hermann Lutz, has written a little book called *Crowe, the Evil Spirit of the Foreign Office*, and his influence cannot be ignored by any student of the time. Grey, it is true, while listening to his advisers, kept the final decisions in his own hands. Yet we must not under-estimate the significance in the formation of policy and opinion of a man whose Germanophobe attitude was so pronounced, whose pen was so active and whose competence was so great. Grey himself described him as anti-German. No one would dream of comparing him with Holstein, whose figure was shrouded in mystery, and British Civil Servants do not play tricks with their chief. But it is no exaggeration to say that, as Holstein towers above the officials of the Wilhelmstrasse, so Crowe stands out in sharp relief. His discovery by a larger public is due to the *British Documents on the Origins of the War*.

The Crowe Memorandum begins with a sketch of the making of the Anglo-French entente and of Germany's attempts to destroy the tender plant before it took root. It had begun as a friendly settlement of outstanding disputes, but as a result of the Morocco crisis there had emerged an element of common resistance to dictation and aggression. The Algeciras Act had settled the Morocco problem for the moment, but a far larger question remained. Was the antagonism to Germany into which England had been led on this occasion without her wish or intention a passing incident, or was it a symptom of some deep-seated natural opposition between the policies and interests of the two countries? Crowe adopts the latter alternative, and relates his attitude to the two traditional principles of

British policy. Its general character, he reminds us, is determined by our position as an island State with a vast overseas empire whose existence and survival depend on naval supremacy. Sea-power is more potent than land-power, because it is as pervading as the element in which it moves and has its being. A predominant maritime State which abused its power would be liable to be overthrown by a general combination.

In our case the danger has been averted—and can only be averted—by harmonising our policy with the interests of as many other nations as possible. How is this to be done? By maintaining their independence, he replies. England is the natural enemy of any country threatening the independence of others, and the natural protector of the weaker communities. The only check on a powerful and aggressive State is the existence of an equally formidable rival or a league of defence. The equilibrium established by such a grouping of forces is technically known as the Balance of Power, and it has become almost an historical truism to identify England's policy with the maintenance of this balance by throwing her weight now in this scale and now in that, but ever on the side opposed to the dictatorship of the strongest single State or group at a given time. If this view of British policy is correct, the opposition to any country aspiring to such a dictatorship assumes almost the form of a law of nature.

Crowe, it is needless to say, had Germany in mind, and the larger part of the Memorandum is devoted to her history and ambitions. England, he declares, seeks no quarrels, and will never give her cause for legitimate offence. But can we be equally certain that Germany will never desire to destroy and supplant the British Empire? In such a matter we could run no risks. There was no thought whatever of hemming her in or clipping her wings.

" It cannot be good policy for England to thwart such a process of development where it does not directly conflict either with British interests or with those of other nations to which England is bound by solemn treaty obligations. Nor was it our place to oppose Germany's building as large a fleet as she wished. Any attempt to dictate would stimulate her to fresh efforts. The best method was to show by ocular demonstration that for every German ship, we should lay down two. The policy of graceful concessions, either to Germany or to any other Power, was a mistake. The opposition she met at Algeciras would probably make her more careful to avoid fresh disagreements. In this attitude she will be encouraged if she meets on England's part with unvarying courtesy and consideration in all matters of common

concern, but also with a prompt and firm refusal to enter into any one-sided bargains or arrangements, and the most unbending determination to uphold British rights and interests in every quarter of the globe. There will be no surer or quicker way to win the respect of the German Government and the German nation."

These are the closing words of this impressive Memorandum. We can imagine German readers complaining that its tone was rather self-righteous, and that in his historical illustrations the author was disinclined to give Germany the benefit of the doubt. Lord Sanderson, a veteran who had been Permanent Under-Secretary for many years before his retirement in 1906, found it unduly severe, and challenged some of its details. The history of German policy towards this country, he concluded, was not the unchequered record of black deeds which the Memorandum seemed to portray. We had often co-operated in a friendly way. But the Germans were very tight bargainers, and they had earned the nickname of "les juifs de la diplomatie." Germany was a young Power, and it was inevitable that she should be somewhat arrogant and impatient; but she was not ungrateful for friendly support.

> "A great and growing nation," he concluded, "cannot be repressed. . . . It would be a misfortune that she should be led to believe that in whatever direction she seeks to expand she will find the British lion in her path. There must be places in which German enterprise can find a field without injury to any important British interests, and it would seem wise that in any policy of development which takes due account of these interests she should be allowed to expect our good will."

Crowe replied to his critic, but Sanderson's presentation of Anglo-German contact seems to me the more judicial.

Not long afterwards, when the Casablanca crisis of 1908 seemed to bring Europe within sight of war, Grey asked Crowe for a Memorandum on Belgian neutrality. The document, published in the Belgian chapter in our eighth volume, took a very strict view of British obligations. The neutrality of Belgium, he argues, was guaranteed not merely because it was a Belgian interest, but because it was an interest of the guaranteeing Powers. Why else should so onerous a commitment have been incurred? Even if her neutrality was violated with her connivance, each of the guaranteeing Powers had the right and the duty to call on its partners to join in enforcing the maintenance of neutrality. Still more interesting than this weighty memorandum is the comment on it by Sir Charles Hardinge, the Permanent Under-Secretary:

"The liability undoubtedly exists as stated above. But whether we should be called upon to carry out our obligation and to vindicate the neutrality of Belgium in opposing its violation must necessarily depend on our policy and the circumstances of the moment. Supposing that France violated the neutrality of Belgium in a war against Germany, it is, under present circumstances, doubtful whether England or Russia would move a finger to maintain Belgian neutrality, while if the neutrality of Belgium were violated by Germany it is probable that the converse would be the case."

This brief minute, which appeared to suggest a rather cynical opportunism, attracted more attention in the press than any other of our revelations. Grey wrote to *The Times* to explain that the minutes and memoranda of permanent officials were not authoritative documents, since the writers had no responsibility for ultimate decisions and policy. His own attitude to the problem of Belgian neutrality, as he showed by quotations, had never weakened or changed.

An agreement with Russia was the natural, and indeed almost inevitable, sequel to our reconciliation with France. When the Morocco crisis was over, the discussions begun by Lansdowne and Benckendorff were resumed by Grey. Formal negotiations started when the Anglophil Iswolsky succeeded the colourless Lamsdorff as Russian Foreign Minister in 1906, and Nicolson, our new Ambassador, arrived in St. Petersburg with proposals relating to Tibet. Whereas the Anglo-French treaty had sponged the whole slate clean, the Anglo-Russian discussions were confined to the Middle East. The story of sixteen months, culminating in the Convention of August 1907, fills our fourth volume, which is the historian's only source, since the Russian material is not yet available. British strategy throughout was to make sacrifices in North Persia, while inviting them in Tibet and Afghanistan. There was no enthusiasm for the settlement in either country, for the Tsarist system was detested by Englishmen. The depth of the ideological gulf was revealed in the stormy debate on the eve of the King's journey to Reval, which, as a young Member of Parliament, I was privileged to hear. The Convention and the visit, declared Grey, hung together, and if it were vetoed he would resign. He spoke throughout as a *Realpolitiker*. He disliked pogroms and executions as much as the rest of us, and a great deal more than he cared to admit in despatches and debate; but he declined to sacrifice a new and valuable friendship to such scruples. While his critics were denouncing Russian misrule, his eyes, though he could not say so in public, were fixed on the North Sea.

What happened at Reval? Here is the vital passage in Sir Charles Hardinge's account of what he said to Iswolsky:

"Though the attitude of His Majesty's Government was and had been absolutely correct, it was impossible to ignore the fact that, owing to the unnecessarily large increase in the German naval programme, a deep distrust in England of Germany's future intentions had been created. This distrust would be still further accentuated with the progress of time, the realisation of the German programme, and the increase of taxation in England entailed by the necessary naval countermeasures. In seven or eight years' time a critical situation might arise in which Russia, if strong in Europe, might be the arbiter of peace, and have much more influence in securing the peace of the world than at any Hague Conference. For this reason it was absolutely necessary that England and Russia should maintain towards each other the same cordial and friendly relations as now exist between England and France, which, in the case of England and Russia, are moreover inspired by an identity of interests of which a solution of the Macedonian problem was not the least."

Here was an invitation to turn the *détente* of 1907 into an *entente*, an expression of our confidence that in the hour of danger Russia would be on our side. Since Germany's strength and ambition seemed likely to threaten our security, Russia would prove a very useful counter in the other scale. It is the familiar story of the Balance of Power.

British policy in the sixteen crowded years illustrated by the *British Documents* falls into two chapters. The first, lasting from Chamberlain's informal conversations on an Anglo-German alliance in 1898 to the Reval visit in 1908, witnessed our entry into the Continental system. The second, covering the last six years of peace, confronted us with the task of maintaining and developing the Triple Entente. There are no more striking items in our fifth volume, on the Bosnian crisis, than the private letters between Nicolson and his chief when Iswolsky accepted the annexation as the result of what he called a diplomatic ultimatum from Berlin. Our distinguished Ambassador, whom King Edward regarded as the best horse in our diplomatic stable, wrote angrily about the sudden Russian collapse, and added:

"Our entente, I much fear, will languish and possibly die. If it were possible to extend and strengthen it by bringing it nearer to the nature of an alliance, it would then be possible to deter Russia from moving towards Berlin. . . . The ultimate aims of Germany surely are, without doubt, to obtain the preponderance on the Continent of Europe, and when she is strong enough—and apparently she is making very strenuous efforts to become so—she will enter on a contest

with us for maritime supremacy. In past times we have had to fight Holland, Spain, and France for this supremacy, and personally I am convinced that sooner or later we shall have to repeat the same struggle with Germany. If we could keep France and Russia on our side, it would be well."

Grey replied that it was impracticable to change our agreements into alliances:

"The feeling here about definite commitment to a Continental war on unforeseeable conditions would be too dubious to permit us to make an alliance. Russia too must make her internal government less reactionary. Till she does, liberal sentiment here will remain very cool, and even those who are not sentimental will not believe that she can purge her administration sufficiently to become a strong and reliable Power. Meanwhile let us keep an entente with Russia in the sense of keeping in touch, so that our diplomatic action may be in accord and in mutual support."

Grey knew the House of Commons and Nicolson did not.

One of the obvious reasons against turning the Triple Entente into a Triple Alliance was that it would confirm the German fear of encirclement and block the path to Berlin. Grey was never very sanguine about a *rapprochement*, and the first Morocco crisis had emphasised the tragic impossibility of being real friends with France and Germany at the same time. Moreover he profoundly distrusted Bülow, whom he described to me as slippery, and he had no exalted opinion of the wisdom of William II. Yet he never abandoned hope of a tolerable relationship, and our sixth volume is the record of his attempts. In 1908 we made the first and last formal proposal to abate the naval rivalry which was rapidly getting on our nerves. Sir Charles Hardinge, the Permanent Under-Secretary, who accompanied the King to Cronberg, was instructed to have a frank talk with the Kaiser. "If the German fleet ever becomes superior to ours," ran the memorandum drawn up for his guidance, "the German army can conquer this country. There is no corresponding risk of this kind to Germany; for however superior our fleet, no naval victory would bring us any nearer Berlin." There was no need for a formal agreement.

"If it could be shown that, as a result of the interview between the two sovereigns, a slackening of activity in the building programmes of the two navies had ensued, there is no doubt that the state of unrest prevailing in Europe due to apprehensions in England and Germany would be greatly appeased, and this would be of more value to the peace of the world than any entente based on the settlement of territorial or commercial questions."

In the decisive conversation on August 11th, 1908, the Kaiser sharply declared that modification of his shipbuilding programme was impossible, and that discussion of a question involving national honour could not be allowed. This brief interview was a turning-point in the history of British diplomacy. During his first two years of office, Grey's main anxiety arose from the strained relations between Paris and Berlin. From 1908 onwards the storm-centre shifted from the Eastern frontier of France to the North Sea. Once again the old cry rang through the land: "Look to your moat."

The naval scare of the spring of 1909 followed, based on rumours of stealthy German acceleration, and in the summer of the same year Bethmann Hollweg succeeded Bülow as Chancellor. His first task was to declare his readiness for a naval arrangement as part of a general understanding. His sincerity was as manifest as his friendliness, but the coupling of a naval agreement with a political formula ruined the scheme. "To do with Germany what has not been done with Russia and France," wrote Grey to Goschen, "would look as if we were intending to change friends. I want a good understanding with Germany, but it must be one which will not imperil those we have with France and Russia. I should have thought some formula could be found to which they might also be parties. That would be the best and the most reassuring solution, though I see that the French could not be a party to anything which looked like confirming the loss of Alsace-Lorraine." From this standpoint Grey never moved during the three years of negotiation which lay ahead. While the Germans asked for a neutrality formula, we invited them to reduce their shipbuilding programme, and offered nothing beyond a promise of non-aggression. Interrupted for several months by the Agadir crisis in 1911, the discussion was resumed during the Haldane mission to Berlin in February 1912, and continued after his return. The old obstacles proved insurmountable, for each side asked more than the other was prepared to grant. Both the British appeal of 1908 and the German approach of 1909 had failed.

Only once did Grey attempt a comprehensive and confidential picture of the international situation as he saw it—in a speech, printed in our sixth volume, delivered at a meeting of the Committee of Imperial Defence on May 26th, 1911, to which the Dominion delegates to the Imperial Conference were invited. Separate Dominion navies, he began, necessitated a common foreign policy for the Empire, generally understood and approved.

What really determined it was the question of sea-power. Next to our navy, we had sought safety in terminating our quarrels with France and Russia. Unfortunately our relations with Germany deteriorated as those with France and Russia improved. If, as he hoped, an improvement occurred, it would have to be a friendship into which we could take our friends. There was only one danger—that some Power or group of Powers should pursue what he called the Napoleonic policy, separating other States from each other, crushing them one by one, and forcing them into its orbit. In such an event the weaker Powers would appeal to us to help them:

"Our hands are free. . . . But I do feel this very strongly, that if such a situation should arise, and there was a risk of all the Powers or a group of Powers acquiring such a dominating position in Europe that it would be the arbiter, not only of peace or war, but of the diplomacy of all the other Powers of Europe, and if while that process was going on we were appealed to for help and sat by and looked on and did nothing, then people ought to realise that the result would be one great combination in Europe, outside which we should be left without a friend. . . . There will be no aggression on our part. If we are ever involved in trouble, it will not be for the sake of any ideas of aggrandisement or ambition or any other vain empty things of that kind."

After thus proclaiming the orthodox doctrines of naval supremacy and the balance of power, Grey proceeded to survey the map of Europe. We were on the best of terms with France and Russia. With Austria our relations were quite good, though we seldom came in contact with her. With Italy we had always been excellent friends. With Germany there was only one difficulty, the fleet, but it was a very great one. France and Russia were most peacefully disposed. In all our relations we were continually explaining that we did not wish them to have a quarrel with Germany:

"You need be under no apprehension that our relations with France and Russia will ever be made a cause of provocation in policy. If Germany is content with the great strength she is getting, that strength which will make her so strong that there is no question of any Power or group of Powers in Europe provoking a quarrel with her, then everything will go well. If she was to use that strength, which I do not for the moment suppose she would, to obtain the dominating Napoleonic position in Europe, then I think there would be trouble."

Had Grey been speaking on the morrow instead of on the eve of the Agadir crisis, his picture would have had darker shadows. For the policy of Germany during the summer of 1911

strengthened his suspicions that she was pursuing what he called Napoleonic aims.

While the search for a political and naval agreement was abandoned as hopeless in the spring of 1912, Anglo-German exchanges shifted from battleships and neutrality to regional problems. The discussions on the Bagdad railway and the Portuguese colonies fill many hundred pages in our tenth volume. Agreement was reached in both cases, but the welcome détente changed nothing in the structure of Europe. Since Agadir the Franco-German antagonism was worse than ever. The year which opened with the Haldane Mission closed with the Mediterranean Agreement and the Grey–Cambon letters. The formula of consultation, which the French asked and got, seemed to Grey to change nothing. When, however, France left her northern coasts exposed, and we no longer depended entirely on our own strength in the Mediterranean, the conclusion seemed inescapable that we were allies in everything but name.

In December 1912, when the Balkan conflagration seemed likely to spread, Prince Henry of Prussia visited King George V at Sandringham and asked him a question point-blank. In the event of Germany and Austria going to war with Russia and France, would England come to the assistance of the two latter Powers?

> " I answered undoubtedly Yes in certain circumstances," reported the King to Grey. " He professed surprise and regret, but did not ask what the certain circumstances were. He said he would tell the Emperor what I had told him. Of course Germany must know that we could not allow either of our friends to be crippled."

Grey approved the reply and explained his own attitude:

> " Your Majesty's Government is not committed in the event of war, and the public opinion of this country is, so far as Sir Edward Grey can judge, very averse to a war arising out of a quarrel about Servia. But if Austria attacked Servia aggressively, and Germany attacked Russia, if she came to the assistance of Servia and France were then involved, it might become necessary for England to fight; as the German Chancellor said that Germany would fight for the defence of her position and for the protection of her own future and security."

Here was the doctrine of the Balance of Power in its purest form.

Though Anglo-German relations steadily improved owing to trustful co-operation throughout the Balkan wars, Franco-

German relations remained tense and Russia's relations to the Central Powers grew steadily worse. The appointment of Liman van Sanders to the command of the First Turkish Army Corps in Constantinople at the end of 1913 created a storm of anger in St. Petersburg. Though the German Government gave way, Grey's lukewarm sympathy was resented by Sazonoff, who resolved to put a little more backbone into the Triple Entente if he could. Benckendorff explained to his chief, in a striking private letter published in the Russian documents, why Grey had not been able to do more. Public opinion was opposed even to an alliance with France. Nicolson himself, who desired it, confessed it was impossible. A fortnight later the Ambassador added a few touches to the picture. He shared his chief's desire for an alliance : it was the natural conclusion of the entente. It was the general wish in British military and naval circles : it was represented on the front benches and in the Foreign Office. "You will be surprised at my conviction that Grey would do it to-morrow if he could. But he belongs to the class of people who rarely speak about things till they are ripe." The difficulty, he added, was immense. A terrible insularity still remained. Englishmen would only wake up on the eve of a tremendous crisis. The situation could not be forced. Sazonoff was wrong to talk of the blindness of Grey :

> "The menace of German hegemony is always in his thoughts, and he anxiously follows its advance. Do not believe he is blind. Far from it. He seems much more irresolute than he is. . . . He feels very strongly that he is the pillar and the born champion of the entente to which his whole policy and his own future are welded."

The approaching visit of King George V to Paris provided Russia with the desired opportunity for drawing closer to England. On April 3rd the Tsar told Buchanan that he would like a defensive alliance, or at any rate an arrangement like that existing between England and France, agreeing what each country would do in certain eventualities. It would be useful to arrange for the co-operation of the fleets. Nicolson thought that the discussion on the French model between the naval staffs, without in any way binding the Governments, would have great advantages. Grey's reaction was more cautious. "If the French agreed, we might let the Russians know what has passed between military and naval authorities on each side, but we had better postpone discussion of anything as long as we can." There was, however, no escape from our importunate friends. Nicolson was

informed that Sazonoff had asked Doumergue, the Premier and Foreign Minister, to speak to Grey about a defensive alliance or a naval convention. " It is a very delicate matter," minuted Grey on Nicolson's report, " and I am glad to be warned, but it is possible that it is the French who have inspired the Russians with the idea. It is curious that the Russians should be suggesting more than the French have got from us."

For the first and last time Grey accompanied the Sovereign on a State visit, and the intimacy of the Anglo-French entente was emphasised in every possible way. His report of the conversations is brief and colourless, but the French documents fortunately provide a detailed account by Doumergue himself. Here is a brief summary:

Doumergue: We have confidence in the friendship of England, and I am sure she would not fail us in the hour of peril. I merely remark how abnormal it is that, while France has naval arrangements with England and Russia, there is no co-ordination between the three. Could not England do with Russia what she has done with us?

Grey: As regards military co-operation we have done all we can with you.

Doumergue: Of course, and therefore I only have naval activity in mind. Your country and mine have envisaged the co-operation of our squadrons in the North Sea. That is no obstacle to co-operation with Russia in the Baltic. Indeed, the latter is the logical consequence of the former.

Grey: Very well, we might begin by telling Russia of the conversations between our General Staffs and then ask: What have you to say?

Doumergue: I quite approve this procedure.

Grey: I will speak to Asquith, and recommend the plan. As regards France no English Government would refuse military and naval aid if she were unjustly menaced and attacked. But with Russia it is quite different. With her size and her immense reserves of man-power, people believe she could victoriously resist German aggression.

Doumergue: There is a pro-German party in Russia—Witte is a member—which favours an entente at Austria's expense. If you converse with Russia, and if our three Naval General Staffs have joint discussions, Russia, finding herself tied more closely to us, would be better able to resist German approaches. Do you not think there might be an exchange of letters in which we would agree that, if one of the three countries found itself suddenly menaced, or if the general situation made it appear necessary, a conversation *à trois* would immediately take place?

Grey: I do not reject the idea, but we must proceed methodically.

We could examine that after we have communicated to Russia our conversations relating to naval co-operation.

The Russians asked for it, wrote Grey afterwards, the French pressed it, and we saw no reason to refuse provided that the whole transaction was strictly within the limits laid down in the Grey–Cambon letters. It would indeed have been as difficult to decline the Russian suggestion in 1914 as to rebuff the French in 1906. Yet the proviso that expert conversations left the discretion of the Governments unimpaired failed once again to prevent enhanced expectations of support. Grey passes rather lightly over the incident in his Memoirs. Our partners in the Triple Entente were delighted at the readiness with which we accepted their plan. England saw no need for an alliance, reported Benckendorff to his chief, but she realised that, if the worst occurred, she would none the less have to march. When the ensuing discussions between British and Russian naval experts began, the Russian Ambassador joyfully reported to Sazonoff that the Triple Entente had at last become a reality. Cambon, he added, had helped with hands and feet. The fly in the ointment was the fact that the negotiations were betrayed by a member of the Russian Embassy in London, and were revealed by Theodor Wolff in the *Berliner Tageblatt* at the instance of the Wilhelmstrasse.

The story of our diplomacy in the last years of peace as revealed by the archives is a crescendo of commitments. The alliance with Japan in 1902, the promise of diplomatic support to France in Morocco in the treaty of 1904, Lansdowne's invitation to continuous discussion of contingencies in 1905, the authorisation of non-binding discussions between naval and military experts in 1906, Hardinge's conversations with Iswolsky at Reval in 1908, Mr. Lloyd George's Mansion House speech in 1911, the Mediterranean Agreement and the Grey–Cambon letters in 1912, the naval discussions with Russia in the summer of 1914—here were milestones along the road to co-operation in the event of war. When the hour of decision arrived, Grey had no more doubt where our honour and interests lay than his official advisers, Nicolson and Crowe, though for constitutional reasons his pace was not as quick as they desired. There is no more arresting document in our eleventh volume than Eyre Crowe's memorandum to his chief on July 31st :

" The argument that there is no written bond binding us to France is correct. There is no contractual obligation. But the entente has

been made, strengthened, put to the test and celebrated in a manner justifying the belief that a moral bond was being forged. The whole policy of the entente can have no meaning if it does not signify that in a just quarrel England would stand by her friends."

The words of the Civil Servant embodied the thoughts of the Foreign Secretary throughout his anxious years at the helm. His task was to work a system constructed before he was called to the helm. There is no reason to suppose that Lansdowne, its author, would have acted differently in any of the major emergencies of the time, and their joint achievements must be envisaged as an indivisible whole. Criticism both of their policy of Continental commitments and of their handling of particular issues, such as the Agadir crisis and the situation after Serajevo, is bound to continue. But since the publication of the *British Documents* there is no longer the slightest doubt what it was. The whole story is unified and dominated by our reconciliation with France—not a union of hearts but a *mariage de raison.*

How shall we define British policy after the turning-point of 1904? I answer, to stand by France, first in regard to Morocco as by treaty bound, and later over the whole field of international politics so long as she was unaggressive; to terminate the hostility of Russia which dated from the Crimean War and which seemed to threaten our Indian frontier; to strive for a naval agreement and neighbourly relations with Germany; to maintain our traditions of an invincible navy and a small voluntary army; to be friends with the United States; to keep the alliance with Japan in repair; to work for reforms in Macedonia and the Belgian Congo; to labour for peace without forgetting the dread possibilities of war.

That it proved impossible to avert a catastrophe was due to the co-existence of three deep-rooted antagonisms—the Franco-German feud about the Rhine provinces, the Anglo-German dispute about the fleet, the Austro-Russian rivalry in the Near East. For none of them were British statesmen responsible. At the opening of the twentieth century Europe was faced with problems too complex to be solved by a single State. The belief that any nation or statesman was an arch criminal is no longer held. It is part of the tragedy of the World War that every belligerent can make out a case entirely convincing to itself. For tragedy, in Hegel's words, is the conflict not of right with wrong, but of right with right. How could the evil system of armed groups and alliances be expected to inaugurate a co-operative and stabilised world? The ultimate cause of the

explosion was the European anarchy, the absence of international machinery, the doctrine of the unfettered national State, the universal assumption that the graver disputes could only be settled by war.

Summary of Discussion

MR. SILKIN said that the lecturer had referred to various incidents in the history of England's foreign policy before the War as evidence of the working of the doctrine of the Balance of Power; could it not be said, however, that by entering into an alliance with France, and ultimately with Russia, she was giving up her position as an arbiter which was the very essence of maintaining the Balance of Power?

In the light of the documents now available, the speaker could not help wondering if anything could have been done either to avert the Great War or to avoid England's participation in it; it seemed to him that there had been no real grounds for British hostility to Germany. This was shown by the fact that before negotiating her treaty of friendship with France she had been quite ready to ally herself with Germany. What would have happened had England allied herself with Germany instead of with France, since by allying herself with the latter she had, in effect, lost the initiative?

The main criticism of the alliance with France was that Great Britain had drifted into it without realising how far she was going. At first the intention had been merely to settle certain colonial problems with France; one thing had led to another until, though whether Grey realised it or not was doubtful, he had become so deeply committed to friendship with France that to stand out in 1914 would have been impossible. The speaker had always been puzzled by the absence of criticism of his speech in the House of Commons on August 3rd, 1914, when, in justifying British foreign policy, he had said first that she was in no way committed to France, but was quite free and then, almost in the same breath, "that her honour and her interest alike compelled her to stand by France and that if she did not do so she would be regarded as a false friend." The speaker believed that Grey had not realised his own inconsistency, which pointed to the mistake of his whole policy. What he had not realised had been understood by everyone else, which was the answer to the criticism of those who said that had England declared herself in July 1914 the War would have been averted. Such criticism entirely overlooked the fact of the grouping of the Powers for so many years before. On the contrary, had England declared herself sooner, it would probably have encouraged her Allies to become intransigeant, although perhaps they needed no encouragement. Apparently France had not tried to hold Russia back when the latter had felt it necessary for her prestige to stand by Serbia. The disadvantage of the alliance had been that Great Britain had been committed, but there had been no formal alliance, no terms set out under

which she would be compelled to come to the aid of her friend; so that in fact Great Britain had been bound to support France in any quarrel upon which she might choose to embark because the question was that of France's security, not whether she was the aggressor or not. From this it followed that Great Britain had been bound not only to support France but her friends as well should France become involved in war on their account, so that what Grey had feared had been bound to come to pass in the absence of any definite understanding.

The lecturer had said that the ultimate cause of the War had been the political anarchy of the nations who had felt that they could freely resort to the sword in settlement of their problems. Was it not possible to carry this a stage farther back, and say that ultimately it was the fear on the part of nations of the threat to their security? There had been no real quarrel between England and Germany, except perhaps a regret on the part of Grey that the latter was often tactless, and sometimes drove a hard bargain. England's objection to the building of Germany's fleet had arisen, significantly enough, only after 1905. Was it only a coincidence that the French and English staff talks had been contemporaneous with the formation of the Schlieffen Plan? Had the two countries been aware at the time of the existence of the Schlieffen Plan? In any case German tactics showed quite plainly that her fear had been of the policy of encirclement, as she thought, being practised by the Allies. She had been solely concerned with her own security, and her attempts at negotiation regarding the size of her fleet showed that her one desire had been to break the alliance between France and England.

PROFESSOR W. J. ROSE said that before the War there had been, so to speak, three great Powers on the one side and three on the other; was it possible that the lack of homogeneity of these States had been partly responsible for the trouble? Roughly speaking, England, France, Germany and Italy had been nation States. They had not been Empires in Europe, as had been Russia and Austria-Hungary. The latter, particularly, had been in a very different position. As the Turks were being removed from Europe, it had been a question as to who would succeed to the influences over the now freed Balkan States. Trevelyan had suggested that had England done her duty after 1815 in nurturing the nations of that part of Europe who had been striving to find their liberty, instead of backing the principle of Legitimacy and the Holy Alliance, the tragedies of Serajevo and the Great War might have been avoided.

MR. W. NEWBOLD said that from work which he had recently been doing on European armaments, the period from 1898 forward had been unfortunate in the light of the conclusions which had to be drawn regarding the importance of sea-power. The vital date seemed to be 1895, with the completion of the Baltic North-Sea Canal, which had made it possible for the whole German fleet to enter the North Sea.

This had been followed almost immediately by the original, though not so well known, Schlieffen Plan. It was obvious that the naval policy of Germany and the military strategy of this Plan went together. This was evident from the military and naval literature now available on the subject. Would the lecturer say how much light had been thrown on this matter by the documents to which he had had access?

There was another aspect of the rivalry commencing more acutely in 1898, the extent to which Germany had exploited political crises in the United States of America. It was evident from the Berlin–Vienna reports in *The Economist* of those years that there had been financial and economic endeavours to precipitate results in America which would bring into power a government hostile to Britain. It was interesting to note how, in those years, American influences had facilitated the growth of the entente with France.

MR. RENNIE SMITH said that the lecturer believed that an objective conclusion could be drawn from the volume of information now revealed. He personally could not agree with this, as, if other specialists in the same field, having the same dispassionate scholarly mind, were to survey the same documents, it was doubtful whether there would be any unanimity as to the conclusions drawn.

Secondly, the speaker was not at all sure that any conclusion could be drawn from such documents, because there could not be present all the elements which would enable objectivity to be reached. He had heard, for example, from the German Foreign Office side that after the War a number of vital documents had been removed during the Kautsky inquiry and had never passed before anybody's eyes. The medium of the written word itself had limitations. So much, for example, in diplomacy was done by a wink or word of mouth. Did the lecturer think that all the diplomatic documents of the past six weeks would enable an objective conclusion to be reached concerning the events which had taken place during that time? Through a study of the documents, the conclusions of the lecturer could be understood, but if the actors concerned were to be studied in relation to their national life and their total background, the same objective conclusions could not be so easily reached. There was no validity in the complete separation of paper documents from the life and spirit of the age and nation in which they had been written. There was a qualitative difference between the diplomacy of Germany from 1898 onwards and that of Great Britain over the same period. Words did not in both cases carry the same meaning. There was here a case for the sociological societies and the relativity of their approach instead of the absolutism of a study of paper diplomatic documents.

A MEMBER said that the lecturer had stated that there had been no cause for a quarrel between England and Germany before the War except the question of a fleet and other speakers had supported

that view. Had not commercial rivalry between the two countries before the War had a serious bearing on the matter?

PROFESSOR WEBSTER said that they had listened to a memorable lecture by one of the foremost authorities in the world on the subject. He agreed with those who thought that the lecturer was perhaps a little too optimistic in thinking that we possessed all the evidence on the great question of pre-War diplomacy. There were still to be studied the documents of the General Staffs, of Cabinets, financial houses and many other sources of information.

Secondly, the lecturer had omitted to point out that Germany could have had between 1898 and 1902 the same friendship which had been accorded to France in 1904. The reason why there had been no arrangement between England and Germany in those years had been because the latter had thought she could make a better bargain. Had she been content to accept what France had gladly accepted, namely a settlement of differences, without any binding alliance of any kind, it was quite likely that England would have emerged from her isolation with Germany, and not with France, as her friend; but the Germans had thought that, in view of the great hostility of France and Russia to Great Britain, she could obtain a better bargain.

Thirdly, the speaker wished to emphasise that there had never been any alliance with France and Russia, and that Great Britain's hands had been free in 1914. The majority of the Cabinet at that time had certainly considered this to be the case, and it was certain that had the issue in 1914 been one of support for France alone, without the issue of Belgium, there would have been a divided Cabinet and a divided nation. There had been absolutely no legal obligation for Great Britain to go to the aid of France against Germany. The lecturer had minimised the importance of Belgium. The famous Minute of Lord Hardinge had been quoted, which pointed out how difficult it would be to go to the help of Belgium in the event of her being attacked by France. But the French had never had the slightest intention of attacking Belgium, and had made it quite clear that they would not do so. On the contrary, Germany had already clearly manifested her intention of marching through Belgium in any European War. This intention had been known to the British Government and soldiers from 1907. The speaker remembered Sir Henry Wilson saying to him that he had known not only of the plan but the number of divisions to be used, because he had spent vacations in Germany counting the sidings of the German railways. The knowledge that Germany was deliberately projecting the violation of this treaty had been a fundamental factor in the situation, though this did not come out very much in the British documents. It seemed that Grey had been almost unable to face this fact.

Lastly came the question of Germany's desire for domination in Europe. It had been said over and over again that Great Britain had

always based her policy on opposition to the strongest group on the Continent. But this had not always been the case From 1870 to 1898 she had been, on the whole, on the side of the German group, which had certainly been the strongest, but during most of that time Germany had shown a desire to maintain the peace of Europe. The question of the Balance of Power was not only one of power, but of disposition. While Germany had been the strongest State in Europe but had also been a peaceful State, Great Britain had been on that side. The situation had been changed by the threat to the British fleet, the most foolish thing which Germany had done, and a lesson which had been learned by the Germany of to-day. It had also been changed by the restless and dominating spirit which Germany had shown under the successors of Bismarck. Post-Bismarckian Germany had been a different Germany from Bismarckian Germany. It was this Germany which had disturbed the whole equilibrium of Europe, and to which Great Britain had gradually been driven to offer her opposition. Even this Germany she had done her best to bring on to the side of peace. The history of the year 1914 showed the extraordinary efforts made by British statesmen to satisfy the demands of Germany without disturbing too greatly the equilibrium of the world. There had been the agreement recognising practically German economic domination in a large portion of the Middle East, an immense concession. Then in the whole matter of the Portuguese colonies, in which Great Britain had been in a very equivocal position, the principal benefactor in any new colonial arrangement was to have been Germany.

The speaker agreed with the last speaker that on these matters there was, as yet, no absolute concensus of opinion. The lecturer, with his great objectivity and always remembering the foolish things which had been said about Germany during the War, tended to go a little too far in the opposite direction; just as those people who remembered many things said at the time of the Treaty of Versailles tended to go too far at the present day. Such swings of emotional opinion sometimes affected historians as well as other men.

One could not read the British documents without feeling the great dominance of the remarkable mind of Sir Eyre Crowe. His attitude to Germany, however, had not been entirely a British attitude, and at critical moments in the negotiations he had certainly not always shown that British phlegm which one used to think characteristic of British statesmen.

Dr. G. P. Gooch, in reply to the first speaker, said that the reason why Great Britain had joined with France instead of with Germany had been because on the only occasion when there had been formal negotiations between the two Governments, in 1901, Germany had asked the impossible: that Great Britain should join the Triple Alliance. France in 1903, in asking that Great Britain should smooth her path in Morocco, had been asking the possible.

The lecturer agreed that Grey had not quite realised how far he had been tied. It was perfectly true that there had been two notes in his speech of August 3rd, 1914 : one that Great Britain was free, and then that her honour and her interests pointed in a particular direction. It had been a very anomalous position, and many thought a very unsatisfactory one; but Grey's answer to this criticism had always been that it was the only position possible in view of the extreme division in the Cabinet and in the nation.

The Chairman had said that the Schlieffen Plan had been known in 1907. According to Paléologue, the French had known of it in 1905. He was certainly not infallible, but he had occupied a high position at the Quai d'Orsay at the time, and according to him a German traitor had sold the secret of the Schlieffen Plan to the French Government.

The second speaker had expressed the opinion that the lack of racial homogeneity in the States of Europe had been a fundamental cause of the War. Of course this was so. The ideal foundation for peaceful relations was a ring of satisfied populations and satiated States, which was not in any way a picture of Europe before the War. The minorities problem had been very grave, above all in Austria-Hungary. The lecturer had been surprised when the same speaker had said that it had been a pity that Great Britain had not done more to help these minorities to gain their freedom, and so diminish the number of unsatisfied elements which had so largely contributed to the cause of war. Surely she had done a certain amount. Canning's work for Greece was not to be despised. Palmerston's efforts to create an independent Belgium formed a great chapter in the history of English diplomacy. He had also supported the constitutional and national movements in the revolutionary year of 1848. Then there was the help which Great Britain had given to Cavour and to the makers of united Italy.

Concerning the remarks of the third speaker and the close connection between the building of the Kiel Canal and the Schlieffen Plan, there were always plans for all sorts of military possibilities in the War Offices of Europe; but a plan became important when it was adopted by the Government of a country, as the Schlieffen Plan had been adopted in 1905 by the German Government. It was true, however, that both the building of the Canal, about which everybody had known, and the Schlieffen Plan, of which no one had known except a few people at the head of the State, involved a great increase in the strength of Germany and pointed to ultimate danger.

With regard to American policy, the only important part which American diplomacy had played in any of the great crises in the period under review had been the vigorous initiative taken by President Roosevelt behind the scenes at the time of the Algeciras Conference, when he had been on most excellent terms both with France and with Germany.

The fourth speaker had said, with the utmost truth, that the experts differed. The lecturer himself had stated that opinions on men, events

and policies would continue to differ, but that there was no longer any doubt as to what actually had taken place. The same speaker had seemed to suggest that Kautsky had seen documents which had never been seen by anyone else. Was the inference that they had been destroyed? Kautsky had been sent in by a Socialist Government in November 1918 and had the free run of the documents; but when he had made a preliminary selection, others had taken over the work, among them Count Montgelas, who had had more experience of this sort than Kautsky, who was an economist. It was news to the lecturer that any document seen by Kautsky had not been seen by the responsible editors of the collection. The speaker also said that the sociologists should begin work where the historians left off. The lecturer was in full agreement with this, and wished them good luck.

The fifth speaker had suggested that commercial rivalry between Great Britain and Germany might have been responsible for the Great War. The lecturer considered that this was not so. Commercial rivalry, no doubt, was very annoying, but this had been felt by the Englishman to be fair play. If he were undersold by the German through the latter working longer hours for less wages, well, that was the usual game in competitive economics. It was the lecturer's deep conviction that the consideration of commercial rivalry had played no part in the formulation of British policy.

The Chairman had said, with perfect truth, that everything on the subject of pre-War history was not yet published. The lecturer and his colleague, Professor Temperley, had been occupied for several years simply with the documents of the British Foreign Office. There was plenty of work to be done by others, and the sooner it was done the better they would be pleased. It was to be hoped that the War Office and the Admiralty would show the same unlimited generosity as the Foreign Office in revealing their treasures.

It was also true that Germany could have had the same terms of friendship with Great Britain at the turn of the century as France had received. She had not known how to get it. Count Metternich had said in 1901 that it was all or nothing. Either Great Britain joined the Triple Alliance, or there was nothing to be done. Certainly German policy since the death of Bismarck had been a series of blunders, and though he preferred under-statement to over-statement as a rule, no writer had shown this more clearly than the lecturer himself.

The Chairman had pointed out that there had been no alliance in 1914 and that Great Britain's hands had been free. Yes, on paper this was so, but all would remember the famous question of Paul Cambon to Mr. Wickham Steed: "Is the word honour to be eliminated from the English language?" There had been no legal obligations, but anticipations and expectations of the most definite character.

Belgium had been all-important to the man-in-the-street, and without it a united country would never have been brought into the War. Ultimately this deep conviction that they were fighting in a

great moral cause strengthened the hands of the Allies and won the War. The lecturer felt as deeply as anyone on the question of the violation of Belgium neutrality. Had she not been attacked, Great Britain would not have entered the War on August 4th, 1914. No one could say what would have happened, but the country would have been divided from top to bottom. The lecturer had had the good fortune to know all the members of the Liberal Cabinet in 1914. The Cabinet had been split from top to bottom until the attack on Belgium. There had been three parties in it, not two: the interventionists, the abstentionists, and a middle party who had waited and waited and felt practically certain that Germany would attack Belgium and then they would know what to do.

The Chairman had been right in saying that the Balance of Power should not be stated in terms merely of Great Britain preventing any Power on the Continent from becoming very strong. As the lecturer had stated in his address, it was the determination, partly conscious and partly instinctive, to resist by diplomacy or arms the growth of any European State at once so formidable and so actually or potentially hostile as to threaten British security. Many articles had been written on this subject wrongly laying emphasis exclusively on the strength of the Continental Power. The key was found in the combination of the two factors, strength and actual or potential hostility.

It was true that post-Bismarckian Germany had been completely different from Bismarckian Germany. There was nothing more tragic than the lack of statesmen of the first class in Germany after 1890. The lecturer had made this remark in his chapter on Bethmann, and had thereby given great pain to his old friend Thimme, who had had a deep admiration for Bethmann. He still held, however, to his opinion that Bethmann had not been the heaven-sent statesman. After 1890 the policy of Germany had been an almost uninterrupted series of the most frightful blunders. As for the so-called encirclement of Germany, there had never been any such thing. She had lost certain old friends, and had also missed the opportunity of making new ones.

THE PUBLICATIONS OF THE CENTRE D'ÉTUDES DE POLITIQUE ÉTRANGÈRE, PARIS

ÉTIENNE DENNERY

THE attention of readers of *International Affairs* has already been drawn more than once to the foundation in France in the year 1935 of a "Centre d'Études de Politique Étrangère"—a Centre for the Study of Foreign Relations. They have also been informed from time to time of the publications issued by that body. The Centre d'Études de Politique Étrangère aims at carrying out in France the same functions as those of Chatham House in England. Like the Royal Institute of International Affairs, the French organisation also sets out to provide, through its publications, impartial and accurate information on the main problems of international affairs for the general public, both in France and abroad.

Although the Centre d'Études de Politique Étrangère has been in existence for barely four years it has a rapidly growing list of publications. Its periodical, *Politique Étrangère,* which is issued every two months, contains articles by experts and by representatives of different countries or different points of view. It corresponds in France to *International Affairs* in Great Britain, or *Foreign Affairs* in the United States. Like them in their respective spheres, it sets out to give the points of view both of French writers and of well-known foreigners. In this way all the major problems of the day in different countries and parts of the world have been examined.

The *Chronologie Politique Internationale,* also issued by the Centre, is invaluable to those who write on international problems.

The Centre has also published a considerable number of books. Some are Information Pamphlets of a topical character, which aim at enabling a wide public to make themselves conversant with questions of international concern. For instance, a series of pamphlets has appeared on National-Socialist Germany: *Le parti national-socialiste et ses rapports avec l'état,* by R. Pelloux; *Le contrôle des devises dans l'économie du III^e Reich,* by A. Piatier; *L'art dans le III^e Reich,* by E. Wernert; *Le front du travail allemand,* by J. Doublet; and, recently, *La nouvelle structure économique du Reich,* by H. Laufenburger and P. Pflimlin, which shows very clearly how Germany's present economic programme has been conceived and realised. This pamphlet demonstrates the empirical character of German economic policy, and shows how National-Socialist doctrine, elaborated, summarily enough, by theoreticians who are now forgotten, was essenti-

ally critical and destructive, and was in fact neither capitalist nor socialist. The new German economic edifice is less the result of long-preconceived tenets than the consequence of certain concrete tendencies and definite material conditions: lack of capital; the desire to satisfy, at one and the same time, both the masses to whom party orators made their appeal, and the capitalists who contributed towards the party's rise to power; and, finally, the wish to increase Germany's armed strength and to provide her with the power of economic resistance in case of conflict. But the ability or otherwise of Germany's present leaders to solve the problem of prices will prove the final criterion in assessing their success or failure.

Further Information Pamphlets published by the Centre include: *Relations de la Chine et du Japon*, by R. Lévy; *La neutralité américaine en 1936*, by P. de Lanux; *Le territoire de Memel*, by J. Meuvret; *Le pays de Teschen*, by V. L. Tapié; and, dealing with more general aspects of international affairs, *L'opinion britannique, la Société des Nations et la Guerre italo-éthiopienne*, by P. H. Siriex and P. Vaucher, and *Les Sanctions Internationales*, by A. Mestre, L. Le Fur, and G. Scelle. Three further pamphlets are in preparation and will appear shortly: *La politique extérieure des États-Unis en 1937*, by A. Max; *La politique islamique de l'Allemagne*, by B. Vernier; and *L'expansion allemande en Europe orientale*, by H. Beuve-Méry.

Other publications of the Centre are the result of research over a longer period, and some of them correspond to the Chatham House Study Group reports. Some are the joint production of several collaborators; others are the work of a single author but are subjected to discussion by specialists representative of many and varied points of view.

Several works deal with questions concerning the French Colonial Empire, as, for instance, *Les conséquences du développement économique du Japon*, by R. Lévy; *La question des matières premières et les revendications coloniales*, by G. Maroger; and *Le Caméroun*, by H. Labouret. A different type of study is *Les échanges commerciaux entre la France et les pays danubiens*, by J. Morini-Comby.

The Centre also issues each year a volume on *L'évolution des pays de civilisation arabe*, which is a record of discussions held during the month of July, in which leading authorities on Islamic problems take part.

Recently a volume has appeared, under the title of *L'Égypte Indépendante*, which is the result of collaboration among certain Frenchmen living in Egypt. In reading this book one realises how great an influence this new country must exercise on the less advanced Arab countries of the Islamic world if she continues to be peaceful and prosperous. It is, indeed, upon the fate of Egypt that the future of the Arab peoples will largely depend.

Two other collective works have been issued recently. The first, under the direction of André Siegfried, member of the Institut de France, deals with *L'opinion américaine et la France*. M. Siegfried

says that the authors have aimed at making a serious and impartial analysis such as may prove of value to everyone concerned, in any capacity, with the maintenance of Franco-American relations. The second work is issued under the direction of C. Bouglé, the Director of the École Normale Supérieure, and is entitled *Les sciences sociales en France*. Methods of sociology, human geography, history, ethnology and all the principal branches of social science are dealt with, each by a specialist.

Three other volumes are due to appear within the next few months: *La politique des Pays-Bas aux Indes Néerlandaises*, by G. H. Bousquet; *Les mouvements politiques en Arabie*, by the Islamic Group; and *La politique commerciale de la France*.

The reception accorded to these volumes shows that they have realised in France the objects for which the Centre d'Études de Politique Étrangère was founded. Their impartiality, the documentation and research on which they are based, and the diversity of the subjects and countries with which they deal, may render them no less useful in other countries. As a supplement to the daily papers, readers may find in the publications issued by the Centre grounds for a better-informed opinion on the great problems of present-day international politics.

REVIEWS OF BOOKS

Any book reviewed in this Journal may be obtained through the Publications Department of the Institute. Members of the Institute wishing to cable an order may use, instead of the title of the book, the number which it bears, e.g., "Areopagus, London : Send Book Twenty May Journal : Smith."

Books marked with an asterisk (*) are in the Library of the Institute.

BRITISH COMMONWEALTH OF NATIONS

1*. AUSTRALIA'S NATIONAL INTERESTS AND NATIONAL POLICY. By H. L. Harris. With a Preface by The Hon. Sir Thomas Bavin, K.C., K.C.M.G. 1938. (Melbourne: Melbourne University Press. 8vo. ix + 155 pp. 5*s.*; to Members of the R.I.I.A., 4*s.*)

2*. CONTEMPORARY NEW ZEALAND: A Survey of Domestic and Foreign Policy. With a Preface by William Downie Stewart. 1938. (Auckland: Whitcombe and Tombs; London: Humphrey Milford—for the New Zealand Institute of International Affairs. 8vo. viii + 276 pp. 10*s.* 6*d.*; to Members of the R.I.I.A., 8*s.* 6*d.*)

3*. CANADA TO-DAY. A Study of her National Interests and National Policy. By F. R. Scott. With a Foreword by E. J. Tarr. 1938. (Toronto: Oxford University Press. 8vo. 163 pp. 6*s.*; to Members of the R.I.I.A., 5*s.*)

4*. CANADA LOOKS ABROAD. By R. A. MacKay and E. B. Rogers. With a Foreword by J. W. Dafoe. 1938. (Toronto: Oxford University Press, for the Canadian Institute of International Affairs. 8vo. xx + 402 pp. 15*s.*; to Members of the R.I.I.A., 11*s.*)

THE first three of these books were prepared for the second unofficial British Commonwealth Relations Conference which was held at Sydney, Australia, in September last. In the case of Australia Mr. Harris has written a very short but most interesting and informative essay which describes the Australian economic background. There is one chapter on external affairs, but the others all very concisely cover such questions as environment, population, migration, standard of living, economic structure and trade and financial policies. While this book is meant, therefore, only as a general survey, some nineteen further papers were prepared to cover such questions as the relations with the British Commonwealth, the Pacific, and political and strategic policies. It is to be hoped that these supplementary papers will be published in book form too.

What Mr. Harris in his essay and the supplementary papers have done in presenting the Australian views for the conference is accomplished for New Zealand in *Contemporary New Zealand*, which is the combined effort of research carried out by the members of the New Zealand Institute of International Affairs. This book covers in more detail the same subject-matter and, as with Australia, the economic

background takes a larger place than external relations. About one-third of the chapters relate to external affairs, and one of them (a very interesting one too) to Overseas Transport. The rest depict the economic conditions operating in New Zealand, and include three interesting chapters on the tradition of State Activity, Banking and Finance and Social and Labour Policies. This is a very comprehensive survey of the social and political structure of New Zealand, and a most useful introductory paper for the Conference.

In the case of Canada, Professor F. R. Scott was entrusted with the task of writing the principal Canadian paper, and, as he himself says in the preface, he aimed at showing "the relation between internal forces and external policy." Thus, though dealing with domestic questions, he has been concerned with them only in so far as they have a bearing on Canada's external relations. Thus, of the thirteen chapters, only three deal with the economic background, two with nationalist movements and feeling, and six with external affairs. It is a thorough and well-balanced survey of what the author describes as the most important economic, political and social factors which determine Canada's national interests and outlook.

The interest which Canada is taking in external affairs can perhaps be gauged from the last of these books, *Canada Looks Abroad*. This is perhaps the most important survey by Canadians of Canada's external relations. If, as the Preface says, it is a "first book of Canadian Foreign Policy," then the country is to be congratulated on its first attempt. The book is divided into four parts, the first dealing with the domestic background, geography, economy, commerce and the population. Another deals with the development of external relations and policy, the Empire, the League, the United States, the Far East, the U.S.S.R. and, strange to relate in a country so situated, Defence. The last two parts, and the pages which contain the most interesting sections of the book, describe the machinery for conducting Canada's external affairs and possible alternative policies. Finally, in the appendix the authors have grouped twenty-one documents of first-class importance to the proper study of Canadian external affairs, which comprise speeches and resolutions on the Covenant of the League, Disarmament, the Manchurian and Abyssinian conflicts, Foreign Policy and Defence. This is a most important book, valuable of course primarily to the serious student of external affairs in Canada, but of equal value to those in all parts of the British Commonwealth.

If these volumes are typical of the work which is being done by the Institutes of International Affairs in the Dominions, Chatham House can be "mighty proud" of her offspring. She might even learn a little from their example, and in her own activities give to economic and social questions the same importance as the Australian and New Zealand Institutes have in these studies. The contrast between the Australian and New Zealand studies on the one hand and the Canadian on the other, both in the subjects stressed and the interpretations given, is both instructive and interesting. R. W. G. MACKAY.

5. THE CANADIANS: THE STORY OF A PEOPLE. By Professor G. M. Wrong. 1938. (London: Macmillan. 8vo. ix + 455 pp. 18s.)

To write 440 years of history in exactly 436 pages is indeed a fine

example of selection and restraint. When Professor Wrong set out to write his latest book, *The Canadians: The Story of a People*, and to limit it to one volume, he had to condense drastically. The result is, however, most pleasing. Professor Wrong dashes along, giving all the "high spots," "stars" and "major trends," but spares the reader the innumerable petty unimportant details and second-rate characters that often make history dull and boring.

One can thoroughly recommend this book, not only to those who wish to get a smattering of Canadian history, but equally to those who like to read a good tale well told, irrespective of whether it improves their minds or not.

Canada's story is a fascinating one, full of colour and romance. The first half of the book under review deals with the 266 years between the discovery of Canada by Cabot in 1497, and the final conquest by the British in 1763. It is an heroic age, and Professor Wrong has treated his characters accordingly. He draws vivid pen-pictures of the personality and exploits of such people as Jacques Cartier, who first sailed up the St. Lawrence, Champlain, who founded the first permanent colony and was the real father of his country, Monseigneur Laval, the great Bishop, the Jesuit missionaries who suffered atrocious martyrdom, Maisonneuve and the sweet Jeanne Mance, who together founded Montreal, the tough old fighter Frontenac, La Salle, who explored the Mississippi, La Verendrye, who first penetrated to the Rockies, and finally Montcalm, who fought so well against overwhelming odds.

After 1763 the whole scene changes, and with it our book. Instead of the incredible achievements of a tiny handful of Frenchmen (less than 10,000 ever emigrated from France to Canada), we now begin to deal with large populations and political developments. Of course, there is the miraculous escape that Canada experienced in 1776, when she almost became part of the United States. This was followed by the migration of the United Empire Loyalists, then, finally, in 1814 the last war along the frontier is over. An era of a hundred and twenty-five years of peace, prosperity, development and evolution is begun. Great waves of immigrants sweep in, railroads are built, and a steady process of political development takes place until in 1931 complete political independence is achieved, when the Statute of Westminster declares Canada an "Associated Member of the British Commonwealth of Nations."

Reviewers do not usually conclude without pointing out some errors of commission or omission on the part of the author. No doubt this practice comes from a desire on the reviewer's part to prove that he really did read the book, and not merely the publisher's ready-made "puff" on the jacket.

Well, I read the whole book, not from any sense of duty, but because, once started, I wanted to go on. To prove it I will point one tiny utterly unimportant error. Page 402: Tanks were first used in the latter half of the Battle of the Somme, not, sir, when the Canadians stormed the Vimy Ridge nine months later.

As for sins of omission, how can one progress at the incredible average speed of one page per year without omitting all the time? No, it's a fine readable book, and Professor Wrong deserves whole-hearted praise.

H. H. HEMMING.

6. THE LOST BRITISH POLICY. Britain and Spain since 1900. By Barbara Wertheim. 1938. (London: United Editorial. 8vo. ix + 127 pp. 3s. 6d.)

MISS WERTHEIM'S contrast between the past and the present is pungent, all the more pungent because she makes no comment on the present. What she does is to show how consistently and at what cost Britain has striven to prevent Spain from passing under the domination of any Continental Power whatsoever. She tells us nothing that a student of history does not know; but refreshes our memories, and perchance disturbs our consciences, by the declarations of aim and justification which British statesmen have made since the days of Louis XIV. Three of these are worth quoting. First, let us hear Canning's protest when Napoleon was demanding the cession of Malta :—

> " For my country I do complain that its honour has been sacrificed and its interests trifled with in a vain and foolish attempt to propitiate violence by submission and to repel aggression by tameness and indulgence."

Then listen to Castlereagh at the end of the Peninsular War :—

> " Her [Britain's] object is to see a maritime as well as a military balance of power established among the Powers of Europe, and as the basis of this arrangement she desires to see the independence of Spain and Holland effectually provided for."

Lastly, read Palmerston's warning to Louis-Philippe in 1846 :—

> " It becomes essential that Spain should be politically independent as well as physically and morally strong; and that other nations should know that the foreign policy of Spain is guided by Spanish feelings and directed with a view to Spanish interests and is not made subservient to the policy of any other Power."

And all these brave words were backed up, when necessary, by brave deeds. Times are changed: methods are changed; but would our policy be altered (" lost " is Miss Wertheim's word) if we had the means and the will to enforce it? MESTON.

7*. THE CRUCIAL PROBLEM OF IMPERIAL DEVELOPMENT. With a Foreword by the Rt. Hon. Malcolm MacDonald. [*Royal Empire Society, Imperial Studies*, No. 15.] (London: Longmans, Green, for Royal Empire Society. 8vo. xiii + 203 pp. 6s.)

THE ROYAL EMPIRE SOCIETY, realising that the crucial problem of imperial development is to improve " the quality of the daily lives of the masses of the people," organised a meeting to discuss it. The chief speakers agreed that to improve living standards some dynamic stimulus must be given to international trade, with which imperial economic progress is inextricably linked. The " creation of wants " among the ill-fed, ill-housed and ill-cared for in the Empire would provide such a stimulus, and the most interesting contributions to the discussions described local experiments in increasing consumption by diversifying production, which seemed to show that a piecemeal pragmatic approach may be a more promising way of achieving the desired impetus than broad governmental regulation.

The six papers read reached an admirable level of sound sense, and the discussions which followed were generally intelligent and informed. Many contributors had evidently been asked to prepare speeches, and while this may have minimised woolliness, it increased dullness. In the " cut and thrust " of debate wits are sharpened and arguments enlivened, and some vivid opposition would have roused the

Conference. The Royal Empire Society, who should certainly convene other such meetings, would do well to consider inviting some whose views would stimulate by their unpopularity. MANA HODSON.

8*. THE COLONIAL EMPIRE AND ITS CIVIL SERVICE. By Charles J. Jeffries. 1938. (Cambridge University Press. 8vo. xxv + 259 pp. 10s. 6d.)

MR. JEFFRIES in his introduction states that the chief purpose of his book is to show the origin, reason and effect of the radical changes which the Colonial Service has undergone within the last few years; and he expresses the hope that his account may be of some value to seekers after information not readily accessible, and especially to those who may be interested in the Service as a possible career for themselves, their children or their pupils. He has admirably fulfilled his purpose: no essential feature is omitted, but there is no wearisome quotation of statistics, and a happy mean is observed between over-condensation and excessive detail. And his hope is likely to be more than realised, for his book will be welcome to many readers outside the classes to whom he refers, and not least to retired Colonial officials, who remember the Service before the "revolution" of 1930, and will appreciate in the light of personal experience the radical changes resulting from the Warren Fisher Committee and the Second Colonial Conference. There must be a great many who have spent most of their lives in the Colonial Service and yet, if asked when the Warren Fisher Committee and the Second Colonial Conference sat and what precisely they recommended, would have some difficulty in answering. In the history of the Colonial Service there has been (to use Mr. Jeffries' expression) such a string of committees and conferences that even a member of the Service may be pardoned, in the absence of any collated record, for forgetting which was which and what each did. With this book available he will have no excuse.

The balance of interest is so well maintained throughout the book that it is difficult to single out any one section for special comment, but there are many to whom Chapter XVII, dealing with the Colonial Office itself, will particularly appeal. To the public, and even to officials serving in the Colonies, the organisation of the Office in Downing Street, the distribution of work among the various departments and the difference between an Assistant Secretary, an Assistant Under-Secretary and a Principal, have always been something of a mystery. But Mr. Jeffries explains it all. His book increases the debt already owed to him by the Colonial Service on account of his work for the Corona Club. C. H. RODWELL.

WAR

THE NEXT WAR. A series edited by Captain Liddell Hart. 1938. (London: Geoffrey Bles. 5s. each volume.)

9*. SEA POWER IN THE NEXT WAR. By Commander Russell Grenfell, R.N. 184 pp.

10*. AIR POWER IN THE NEXT WAR. By J. M. Spaight, C.B., C.B.E. 181 pp.

11*. TANKS IN THE NEXT WAR. By Major E. W. Sheppard, O.B.E., M.C. 182 pp.

THIS is a useful series dealing with the various problems of modern war. The authors commence by examining the lessons of the last

War in their particular field, go on to discuss post-War developments, and finally give us their ideas on the future.

One of the salient conclusions that emerges from Commander Russell Grenfell's book is that the advent of three-dimensional warfare—the submarine that can dive under fleets and the aeroplane that can fly over them—has exercised an influence on the minds of naval commanders which may well be out of proportion to the actual material damage that the new weapons can inflict. With the constant increase in the size and expense of capital ships, and the consequent reduction in their numbers, there is a natural tendency to avoid risks which if unchecked must spell the death of the offensive spirit. His views on the future of the big ship are interesting and throw some much-needed light on the problem of imperial defence.

A somewhat similar conclusion emerges from Mr. Spaight's book, but the answer is less obvious. He regards the post-War doctrine of the Douhet school, which visualised future conflicts being settled rapidly by the massed use of air power, as an exaggeration. Nevertheless the threat of air action on centres of population will continue to have an enormous moral effect which, between Powers that are anything like equally equipped, may well be the determining factor in preventing the actual outbreak of hostilities. One hopes he is right, and, in any case, the moral is clear—we cannot afford to lag behind in our aerial preparations. He does well to examine critically some of the estimates that have appeared of production figures of aircraft in various countries. These all appear small compared with production in 1918 and, in view of the very high replacement figures that experience shows to be necessary, it is doubtful if they would admit of the maintenance of present first-line strengths. The totalitarian Powers rely on a lightning war and, for this reason, tend to " put all their goods in the shop-window." One can imagine the moral effect of an Air Force which, after the first few months of war, finds its establishment reduced by half owing to difficulty of replacements.

Major Sheppard deals very competently with the tank, and its place in war to-day. The brief sketch of the rôle of the tanks in the battle that was never fought, the great break-through that the Allies were planning for 1919, is interesting. He goes on to show how the development of anti-tank measures in all European armies in the post-War years has modified the position to the disadvantage of the new weapon. Nevertheless from the glimpses he gives us of present-day tank doctrine in various armies, it is clear that the new invention has in many ways altered the face of warfare, and that it has certainly come to stay. His imaginary pictures of tank actions in the future are particularly successful and serve admirably to illustrate the points he is making. Service writers, whose work often makes incredibly dull reading even to the initiate, might do well to make more frequent use of this method, particularly when writing for the lay public.

This is a good and useful series, and one hopes that the promised volumes on Infantry, Gas, the Territorials and the Rôle of the Civilian in a future war will maintain the same high standard.

B. T. REYNOLDS.

12*. THROUGH THE FOG OF WAR. By Captain B. H. Liddell Hart. 1938. (London: Faber and Faber. 8vo. 366 pp. *12s. 6d.*)

CAPTAIN LIDDELL HART opens with a sketch of the War of 1914–1918. He goes on to give pen-pictures of a number of leading soldiers

on the Allied side, also of three Germans, Bernhardi, von Kluck and Ludendorff. Then we have the personal views of various Allied commanders and of Mr. Lloyd George, followed by essays on various incidents and the author's speculations on what might have been. Running through the whole book, and summed up in the Epilogue, is a plea for the objective study of history as a guide in dealing with our present-day military problems. "There is no excuse for any literate person if he is less than three thousand years old in mind." It goes without saying that the whole thing is brilliantly done.

In these days, when a number of countries have embraced the doctrine of totalitarian war, with its necessary counterpart of a war economy in peace-time, no apology is required for reviewing a book on war in the Journal of an Institute whose primary object is the scientific study of international relations. The memory of experiences undergone by a people is a potent factor in the formation of national policies. The War of 1914–1918 probably constitutes the most vivid personal experience of the middle generation of men living in Europe to-day. We see around us the characteristic reactions of the older and younger generations to the memory or the prospect of similar experiences, and of whole nations to the bitter tonic of defeat or the barren fruits of victory.

Heaven knows there were errors enough committed in 1914–1918, and the British had no monopoly of them. Captain Liddell Hart does us a great service in exposing them. As he well says, the exposure and examination of past errors is the best means of ensuring that they will be avoided in the future, and it is so fatally easy, out of a mistaken sense of loyalty to a beloved commander or a dead friend, to gloss over his faults. Paint him "warts and all." If he was a great man, his reputation will not suffer, and in any case what is one man's reputation beside the lives of future generations of soldiers or the success of a campaign? This is all perfectly true.

But it is possible to overdo even a good thing. A chance reference to C. E. Montague gives the clue to the mood, and what might well have served as the sub-title of this book—"Disenchantment." Here is an example. After quoting T. E. Lawrence's fine and generous tributes to his old Chief, "Allenby was large and physically confident, and morally so great that the comprehension of our littleness came slowly to him. . . . What an idol the man was to us, prismatic with the unmixed, self-standing quality of greatness, instinct and compact with it", Captain Liddell Hart adds, "That tribute, if examined, is found to leave out any estimate of mental ability. And I have reason to know that the reservation was intentional." Granted that Allenby made mistakes in France and that the two campaigns in Palestine, on which his fame principally rests, owed much to the brainwork of his staff, by what earthly or unearthly standard are we to judge our Generals? The army has to work with the same mortal clay of which the nation is composed. The nation that bred, and the army that formed, an Allenby have no reason to be ashamed, or to regret that he failed to combine in equal measure the utterly different qualities of Commander and Staff Officer.

This is not a mere quibble at what is undoubtedly a good book, or a tilt at a military historian whose work has been of incalculable benefit to the army. The matter goes deep. In Germany to-day we see some of the fruits of over-long persistence in the mood of disenchantment. If the artist paints all the high light on the warts, he mars

the likeness and misleads posterity at least as much as by omitting them altogether. And in so doing he defeats his purpose, for the result can only be to awaken a reaction in favour of the flat portraiture of authoritarianism. B. T. REYNOLDS.

13. TO-MORROW'S WAR. By Stephen Possony. Translated from the German by Donald and Marianne Scholl. 1938. (London: William Hodge. 8vo. 255 pp. 8*s*. 6*d*.)

14*. GERMANY AND A LIGHTNING WAR. By Fritz Sternberg. Translated from the German by Edward Fitzgerald. 1938. (London: Faber and Faber. 8vo. 345 pp. 12*s*. 6*d*.)

HERR POSSONY examines the theory of totalitarian war as expounded by Continental military experts, and produces figures to show what it means in terms of men and material. Owing to the progress of mechanisation, these figures are quite different from anything that we knew in the last War. Mechanised formations require far greater numbers of men behind the lines and in the factories than the divisions of 1914–1918, which relied primarily on the muscle-power of man and beast to take them into battle. He finally goes on at some length to discuss the economic aspects of totalitarian war and of its essential counterpart, a war-economy in peace time. He reaches the conclusion that totalitarian war is a *reductio ad absurdum*; it can only succeed when employed against Powers that are either inherently weak or totally unprepared. In case of conflict with a country organised on a democratic basis, the only hope for a totalitarian State lies in a lightning blow. If this failed of its effect, the democratic country would have little more to fear.

Herr Sternberg also approached his subject from the standpoint of economics. An examination of the world position leads him to the conclusion that the Axis Powers, and in particular Germany, are in the grip of forces impelling them towards war. He then examines the war potential of the various Powers, devoting nearly a third of the book to that of Germany. There follow two chapters on the economic reorganisation of Germany carried out by the National-Socialist régime, foreign policy and plans. Finally, in a particularly interesting last chapter, he gives us a well-documented account of German views on the subject of the maintenance of the home front in war, and the misgivings in some German military circles about the probable effects of National-Socialist doctrine and methods when applied to an army at war.

Both these books lead to the same conclusion. The totalitarian State, with its war-economy in peace-time and its enormous initial striking power, looks a great deal more formidable than it really is. It carries in it the seeds of its own destruction, and war provides the conditions under which those seeds can most easily germinate. Few who have considered the matter in all its aspects will doubt that our authors are right in their conclusion. So far, so good; but, unfortunately, we know from bitter experience that the matter does not end there. What next? In the last resort only a German can solve what is essentially a German problem: our efforts to do so twenty years ago have not proved conspicuously successful. If our authors or their friends would address themselves to this vital matter, they would be laying their countrymen and the world under a debt of gratitude.

B. T. REYNOLDS.

15*. THE AIR DEFENCE OF GREAT BRITAIN. By Air-Commodore L. E. O. Charlton, G. T. Garratt and Lieut.-Commander R. Fletcher, M.P. 1938. (London: Penguin Books Ltd. 8vo. 224 pp. *6d.*)

16. KRIEG AUF SCHWEIZERBODEN? Landesverteidigung von Ernstfall aus gesehen. By Major Max Barthell and Dr. Eugen Th. Rimli. 1938. (Zurich: Verlag der "Tat." 8vo. 176 pp. *Fr.* 1.20.)

Both books deal with the principal defence problem of the countries concerned. In the British case this is the air defence of London. In the Swiss case it is a military invasion. Both assume that attack will come as a bolt from the blue, without previous declaration of war. Both lay stress on the national morale as the key to successful defence.

G. T. Garratt's chapters on A.R.P. are particularly worth reading. He is absolutely right to stress the probable political implications of the intensive air-bombing of London. It is a ghastly thought that the collective unwisdom of the world has reduced all countries to considering their military problems in face of a common danger from the angle of unco-ordinated passive defence. B. T. R.

GENERAL

17*. REFUGEES, ANARCHY OR ORGANISATION. By Dorothy Thompson. Introduction by Hamilton Fish Armstrong. 1938. (New York: Random House. 8vo. xi + 125 pp. $1.00.)

THIS book appears at an opportune moment, for it includes, in addition to a lucid statement of the work of the League of Nations in international assistance to refugees, practical suggestions for handling the present emergency situation caused by the intensified anti-Semitic action of the German Government. Miss Thompson suggests the establishment, in connection with the Inter-governmental Committee set up at Evian, of a Resettlement Corporation on a business basis, which would include services to secure at one end orderly emigration and at the other orderly settlement. Existing organisations, in fact, provide some part of the services regarded as necessary. Advice to and re-training of prospective emigrants and reception in the country of immigration have been provided on a considerable scale by HICEM and other important Jewish organisations, but these services, though their resources were reasonably adequate for dealing with an exodus of 23,000 to 25,000 a year, are breaking down under the pressure now placed on them. Legal assistance, in securing the necessary residence and travel papers and in the form of representations to Governments on questions covered by the international agreements drawn up at Geneva, is already available through the High Commissioner's Office in London.

Any Resettlement Commission would certainly need to use these experienced existing organisations, and the problem of enlarging and extending them does not present great difficulty in itself. The urgent questions are international action to provide offers of opportunities for settlement, which is a function of the Inter-governmental Committee, and an international system of financing migration. On this latter question Miss Thompson suggests that the solution may be assisted by the use of blocked German and other currencies lying idle in the hands of foreign holders, for the purchase in the countries with blocked currencies of the capital goods required for settlement in undeveloped countries. A system of this kind has worked in the past in Palestine, and it might be made to work on an extended scale. Whether an arrangement on the basis of blocked currencies is practicable or not

must be left to experts on finance in general, and the German situation in particular, but evidently any Resettlement Commission will require the provision of international finance on a gigantic scale, to which some contribution might be made in this way. The transfer of 50,000 refugees to a South American country, for instance, would mean the provision of roads, schools, houses, lighting and other public services, and of industrial and agricultural equipment.

Whatever methods of securing the necessary finance are adopted, it is clear that the present problem far exceeds the resources of private charity, either in money or for administrative purposes. The participation of Governments is essential, on the one hand to provide the necessary confidence for the floating of an international loan, and on the other to give political protection and administrative assistance to large-scale settlement. The settlement of Greek refugees in Greece and of Jews in Palestine has shown what can be done with resolution and expert supervision of expenditure. Settlement in undeveloped, semi-tropical countries, which is now suggested, raises questions of a much more serious order, familiar to all students of colonial development, which are no doubt fully realised by the Inter-governmental Committee.

MARGARET BRYANT.

18. PEOPLE AT BAY: The Jewish Problem in East-Central Europe. By Oscar I. Janowsky. With a preface by Morris R. Cohen. 1938. (London: Gollancz. 8vo. 193 pp. 2s. 6*d*.)

THIS book is based on a tour undertaken in 1936. The American-Jewish author deals particularly with Poland and Roumania. He appreciates the interaction of rising national middle-classes and German propaganda, shows self-restraint in portraying the wretchedness of Jewish lower classes and the hopelessness of young intellectuals, and recognises that collectivism does not mean automatic bliss or power for masses of Jews. He ignores townsman irritation and peasant contempt excited in a variety of ways by Jews and found handy by agitators who transform them into hatred. He does not seem to know that the Lithuanian atmosphere is pleasanter than the Polish and the situation there better than in Latvia. From his remarks on Roumania the economic stagnation brought on by the Goga anti-Jewish Government could scarcely have been foreseen. At the end the possibilities are carefully weighed, but what, these days, would be the use of a bayonetless United Jewish Representation? GEORGE A. SHORT.

19. THE POPULATION PROBLEM. By T. H. Marshall, A. M. Carr-Saunders, H. D. Henderson, R. R. Kuczynski, and Arnold Plant. 1938. (London: George Allen and Unwin. 8vo. 176 pp., diagrams. 5s.)

THIS volume is based on the broadcast talks "One Generation to Another" given in 1937, and the correspondence which followed them. In the first two sections Mr. Marshall sets out "What the Public Thinks." The first is a fair general statement of widely accepted views. The second is based on 352 letters by persons who had listened to the talks, and took the opportunity to state their views. They give vivid details of particular cases. Then follow, in Section 3, clear statistics of the actual situation in Great Britain, by Mr. Carr-Saunders, with forecasts of the consequences (*a*) if fertility rates remain constant and (*b*) if these rates continue to fall as in recent decades, which show the urgency of the problem. In Section 4 Mr. Henderson shows that

the coming decrease in our population cannot alleviate, and may well aggravate, many of our economic ills, especially unemployment; and that it will certainly cause equally difficult problems. In Section 5 Dr. Kuczynski compares the trends among all the peoples for whom we have adequate statistics, and shows that only in the Soviet Union is the population increasing at a rate comparable to those of Victorian England. Professor Arnold Plant states a case for freedom of international migration based on the view that the world is one economic unit—a view which more and more States are repudiating in favour of policies of "*Autarkie.*"

In two most interesting sections Mr. Henderson discusses "Causes and Remedies," and Mr. Marshall states some general conclusions. It is clear that the direct cause is birth restriction by potential parents; and that their reasons are (*a*) social—associated with the emancipation of women, and of adults generally, and the prevailing fashion in families; (*b*) economic—for a large family lowers the standard of living of all its members in comparison with that of other persons of similar income status. The economic alleviations proposed do not appear, even to the writers, sufficient to reverse the downward trend of fertility rates which is heading the nations toward extinction. All the writers argue within the limits of the existing system. But it is significant that, among the white peoples, only the Russians are increasing at a substantial rate. If we are prepared to recognise in social and economic fact, and not merely by lip service, that motherhood is the key industry, and to make it an honourable and remunerative occupation for fit mothers, we can have enough children. Such recognition may well involve social and economic changes of a revolutionary character, not to be accepted until the actual decrease in our numbers has gone so far as to make it evident that some such revolution is the alternative to extinction. C. B. FAWCETT.

20*. POWER: A NEW SOCIAL ANALYSIS. By Bertrand Russell. 1938. (London: Allen & Unwin. 8vo. 328 pp. 7*s.* 6*d.*)

THE "Power" with which this book deals is any form of control or influence exerted by men over other men. Different kinds of power are shortly described—the priestly, kingly, military, revolutionary, and economic, as well as the power over opinion exerted through propaganda. After a short account of governments and other organisations, the relation of power to moral issues is summarily considered, and the book ends with a chapter on the "taming" of power.

Although the subject is obviously important for those interested in international affairs, the treatment is not strictly that of analysis; for most of the evidence consists of running commentary upon the traditional views of Western European history, based upon secondary authorities, such as Creighton and Gibbon. There is no attempt made to analyse the forces of the contemporary world as in Professor Merriam's study of political power, or in Professor Lasswell's use of psychology for the same purpose. War is recognised to be "the chief promoter of despotism," and the prevention of war "the most essential part of our problem"; but there is no discussion of what are usually called the Great Powers, and the book ends with a quite admirable but somewhat inadequate proposal for undermining tendencies to war by the traditional liberal education. Among instruments for "taming" power the League of Nations is not included; and among men who have power, no mention is made of Gandhi. Indeed, the reader cannot

always be certain what is meant by power; for according to the author "the four men who have had more power than any others" were Buddha and Christ, Pythagoras and Galileo. Is Mahomet not to be counted? and are we really discussing the same thing, when we use the word power to refer to the influence of Christ and the brutality of Frederick the Great? C. DELISLE BURNS.

21. THE WORLD CRISIS. By Professors of the Graduate Institute of International Studies. 1938. (London: Longmans, Green and Co. 8vo. 385 pp. 10s. 6*d*.)

THIS collection of studies—political, historical, legal and economic —does honour to the distinguished academy at Geneva at which its authors are instructors. Different readers will turn to the different sections in which they are more immediately interested; but no reader should omit the section on economic problems, where not only is the malaise in international relations diagnosed with freshness and candour, but constructive suggestions are freely made for curing it. They may not all be equally practicable, but at any rate they do not leave the problems suspended in a theoretic void. Dr. Ludwig von Mises is especially outspoken about the decay in international trade, though we may not all be prepared to go so far with him as to declare that "the gold standard and the world's monetary system collapsed because the governments destroyed them purposely"!

The section on legal problems is interesting, though in parts a little divorced from realities. Dr. Hans Kelsen argues for the separation of the Covenant from the Treaties of Peace, and shows how it could be effected; and Dr. Hans Wehberg explains at what point insurgents become belligerents. The most impressive paper here, however, is Dr. Kaeckenbeeck's account of his stewardship as president of the arbitral tribunal of Upper Silesia. Under his guidance, that body disposed of 4000 cases in its fifteen years and, in the course of doing so, created a substantial body of international law. It was a great experiment and a marked success in the wise hands which directed it.

There remains the political section of these essays. M. Mantoux tells the tale of the ill-fated Vilna plebiscite: M. Rappard gives his view of what the League of Nations is, and what it could be: and M. Bourquin—all old friends—weighs up democracy in a brilliant analysis and urges that its institutions to-day call for vigorous re-adjustment. MESTON.

22*. MY QUEST FOR PEACE. By George Lansbury. 1938. (London: Michael Joseph. 8vo. 286 pp. 8s. 6*d*.)

23*. ACROSS THE FRONTIERS. By Philip Gibbs. 1938. (London: Michael Joseph. 8vo. 326 pp. 10s. 6*d*.)

OF Mr. Lansbury's book there is little to say except that it records the efforts in the cause of peace of "an indomitable idealist who believes in the essential goodness of humanity and attempts to infuse into politics something of the kindliness and faith by which he is inspired." The reader lays down the book with a feeling of respect for Mr. Lansbury and of despair at the helplessness of mankind; either these leaders whom he interviewed are villains of the deepest dye, or they too are victims of forces they cannot control.

Across the Frontiers is yet another of the growing number of journalists' impressions of the present international situation and its

causes. Mr. Gibbs' chief purpose is to make his readers realise that, despite ideological labels, there are still men and women in the totalitarian States with a passionate desire for peace and friendship with democratic countries, and that those countries must themselves share the blame for the present situation. But he is too ready to accept *ex parte* statements as the whole truth and to explain too much by "the strange insanity of Versailles" or by Great Britain's mistaken policy at the Disarmament Conference. With regard to Germany his remarks are dated, and to some extent belied, by the events of the last few months. Finally, the "thoughts" of foreign ministers travelling round Europe in "wagons-lit" are surely not in place even in a "popular" work on international affairs. H. G. L.

24. WHAT'S WHAT AND WHOS'S WHO IN SOME WORLD AFFAIRS. By J. A. Sinclair Pooley. 1938. (London: John Bale, Sons and Curnow. sm. 8vo. xii + 265 pp. 5*s*., with a quarterly supplement, 6*d*.)

This is a sort of chatty encyclopædia of post-war international affairs "intended for newspaper readers and others interested in current political events." If you want to know in a hurry who or what are the Four-Power Pact, Goebbels, Gdynia, the population of Czecho-Slovakia or the constitution of Lithuania, inquire within. A rather haphazard arrangement is redeemed by a good index. Unfortunately the standard of accuracy is none too high. A rapid test has yielded a good crop of errors, ranging from first-class "howlers" (*e.g.* "Great Britain is allied with France by a Treaty of Alliance signed at Versailles on the same day as the Treaty with the Germans") to slips of minor importance (*e.g.* Mr. Litvinov is stated to have become Commissar for Foreign Affairs in 1922).

Quarterly supplements are announced of which the first (price 6*d*.) appeared in October. E. H. C.

25. THE ATLAS OF TO-DAY AND TO-MORROW. By Alexander Rado. Maps executed by M. Rajchman. 1938. (London: Gollancz. La. 8vo. ix + 198 pp. 10*s*. 6*d*.)

The compiler has set out to demonstrate how much information about the world to-day can be conveyed in maps and diagrams, eked out by a liberal amount of letterpress. Frontiers, trade relations, industrial development, and distribution of races, religions, incomes and constitutions are all shown in different sections. Some of these things lend themselves better than others to this treatment; but the only complete failure is with forms of government, which altogether defy the rough-and-ready classification of the cartographer. The arrogant title has already suffered its nemesis. Austria is shown as independent, and Czecho-Slovakia as unpartitioned. E. H. C.

26. WORLD COMMUNITY. By William Paton, Secretary to the International Missionary Council. 1938. (London: Student Christian Movement Press. 8vo. 192 pp. 5*s*.)

An attempt to indicate how much the Christian Church might do to overcome barriers of race, class and nation, how much it has actually done, and how much it has failed to do; with particular reference to the work of Christian missions. Dr. Paton combines hopefulness with a capacity for criticism. A. N. P.

27*. PRESS, RADIO and WORLD AFFAIRS: Australia's Outlook. Edited by W. Macmahon Ball. Issued under the auspices of the Victorian Branch of the Institute of Pacific Relations. 1938. (Melbourne and London: Humphrey Milford. Sm. 8vo. 146 pp. 2*s*.)

An analysis of the sources of information on world affairs used by the Australian Press and radio, and of the bias shown in the main organs of

Australian public opinion. Australian news, it is concluded, is dominated by Australian economic nationalism, and in politics by Imperial patriotism. A. N. P.

ECONOMICS AND FINANCE

28*. SLUMP AND RECOVERY 1929–1937: A SURVEY OF WORLD ECONOMIC AFFAIRS. By H. V. Hodson. 1938. (Oxford University Press, for the Royal Institute of International Affairs. 8vo. viii + 484 pp. 10s. 6d; to Members of the R.I.I.A., 7s.)

THE celebrated writer who described history as a record of the crimes and follies of mankind might have taken a more kindly view of his subject if he had been an economic historian. Nevertheless, although, according to Mr. Hodson, "the economic tale of 1930 to 1937 is not entirely a gloomy one," a perusal of his story leaves a strong impression that rationality and far-sightedness have played, at best, a feeble and second-rate part. On the whole, Mr. Hodson restrains himself from any sweeping judgments upon the events which he records, giving instead a sober account, based upon the chapters which he has contributed to seven successive volumes of the annual *Survey of International Affairs*, of the outstanding events during the period which had important international economic repercussions. Despite the flood of literature in recent years on every kind of economic problem, there has hitherto been available, apart from the World Economic Surveys of the League Economic Intelligence Service, no adequate general account of the events of the world crisis and of the measures to meet it; the reader may sometimes feel that some of the factual details which were appropriately included in an annual survey might with advantage have been sacrificed by Mr. Hodson for the sake of a broader synthetic interpretation of the events which he has recorded, but this volume will for a long time be indispensable to both economic historians and economic theorists. For both historian and theorist it will be a matter of some interest to determine whether Mr. Hodson would not have been wise to imitate the authors of *Soviet Communism: A New Civilisation?* in adding to the title of at least the first edition of his book a note of interrogation.

ALLAN G. B. FISHER.

29*. TECHNICAL AND FINANCIAL INTERNATIONAL CO-OPERATION WITH REGARD TO MIGRATION FOR SETTLEMENT. Technical Conference of Experts. [*International Labour Office Studies and Reports, Series O (Migration), No. 7.*] 1938. (Geneva: International Labour Office; London: P. S. King. 8vo. vii + 180 pp. 4s.)

THIS very useful report of an I.L.O. conference of experts which met at Geneva in the spring of this year contains a report prepared in the Office as a basis for the discussion, speeches by the delegates, and the conclusions reached by the Conference on the way in which international co-operation could be brought to bear on the difficult questions of overseas settlement by Europeans, especially in South American countries. There are still current many misconceptions on opening up the "wide open spaces" in the world, and there is perhaps some failure to understand the change which has taken place in the conditions of migration for settlement. The simple process by which land settlement took place in the United States and in other countries in the past no longer exists. Immigrants entered the country as hired

labourers, learned the language and the ways of the country, saved a little money, and then took up plots of land for themselves on easy terms. There was no question of the transfer of capital, and there were no restrictions on entry and on the right to work. The opportunities of wage-earning are now strictly limited, and suitable land is no longer available at a price which the labourer can pay. Moreover immigration itself has come to be regulated more and more by bilateral agreements between the country of origin and the country of immigration.

There is successful land settlement to-day, but there are many failures, the settlers often preferring, after some years of hard toil, to abandon their holdings and seek other occupations. Success depends on many factors, but it is hardly ever achieved unless there has been systematic preparation and some protection and assistance by the Government concerned in the terms on which land is made available, the provision of credit and advice, assistance in marketing, and some effort to facilitate acclimatisation, physical and moral.

The present report provides indispensable information by which to assess the possibilities of settlement and the methods by which failures may be avoided in Latin-American countries. The technical questions involved are discussed authoritatively by delegates from Argentina, Brazil, Chile and other States. These States are fully alive to the importance of the problem, and in some cases they have established elaborate machinery for systematic settlement through special departments. On the European side delegates made some important contributions. Not the least useful of these came from the Polish delegate, who pointed out that the emigration of Polish families on a large scale as settlers, under present conditions of the restrictions on the movement of capital, raised a transfer problem which could not be met by Poland unaided.

The Conference has provided useful opportunity for the exchange of information between European and South American countries, and for a clearer understanding of the procedure required if settlement is to be renewed on any large scale. M. BRYANT.

STUDIES AND REPORTS ON STATISTICAL METHODS. Issued by the League of Nations Information Section. 1938. (Geneva: League of Nations; London: Allen and Unwin.)

30*. No. 1. Statistics of the Gainfully-Occupied Population. [C. 226. M. 128. 1938. II A. Appendix I.] 1*s.*

31*. No. 2. Minimum List of Commodities for International Trade Statistics. [C. 226. M. 128. 1938. II A. Appendix III.] 2*s.*

32*. No. 3. Timber Statistics. [C 226. M. 128. 1938. II A. Appendix V.] 9*d.*

33*. No. 4. Statistics relating to Capital Formation. [C. 226. M. 128. 1938. II A. Appendix VI.] 1*s.*

THE importance of a degree of uniformity in the preparation and publication of national statistics, at least sufficient to make international comparisons something better than wild and misleading guesses, is much greater than might appear at first glance, and the new series of League Studies and Reports continues the useful work already carried out by the League and the I.L.O. in encouraging and facilitating such uniformity. The most interesting of the four items listed above, the report on Statistics relating to Capital Formation, is, indeed, in the existing state of statistical efficiency in many countries, somewhat

inconclusive. Or, more accurately, some of its conclusions are not at the moment capable of direct application, and the results of the further studies which are promised by the Committee of experts responsible for this document will be awaited with some interest. A. G. B. F.

34*. MARKETS AND THE PROBLEM OF PEACEFUL CHANGE. By J. B. Condliffe. 1938. (Paris: International Institute of Intellectual Co-operation. 8vo. 63 pp.)

35*. THE SYNTHETIC OPTIMUM OF POPULATION. By Imre Ferenczi. 1938. (Paris: International Institute of Intellectual Co-operation. 8vo. 115 pp.)

36*. INTERNATIONAL RAW MATERIALS CARTELS. By William Oualid. 1938. (Paris: International Institute of Intellectual Co-operation. 8vo. 54 pp.)

THESE monographs formed part of the preparatory documentation for the International Studies Conference which discussed the problem of Peaceful Change at Paris in July 1937. Professor Condliffe devotes a good deal of attention to the position of Germany, and concludes that " the difficult economic situation of countries which at present cannot readily obtain the export markets or the means with which to purchase necessary raw materials can be effectively relieved only by agreement to restore international co-operation. The *sine qua non* of any such agreement is a prior political understanding."

Dr. Ferenczi surveys most of the ideas which have been raised in recent years in discussions of population growth. He endeavours to reach a concept of optimum population, to which he gives the name synthetic, or integral, or proportional, and in which considerations of national and individual security, and " the influence of demographic movements, factors and structure and of the biological qualities of the population on the material welfare of the nations and of each individual and hence on international relations," are given due weight alongside the more obvious notion of optimum welfare as expressed in individual and family standards of living. The final picture is, perhaps inevitably, not very clear.

In seeking an answer to the question, " Are not cartels tempted to profit by their situation, when it tends to constitute a monopoly, to subject their customers to a preferential or differential régime of prices or of quantities for reasons alien to the economic conditions of industrial production? ", Professor Oualid analyses briefly the operations of international cartels in aluminium, mercury, pulp-wood and paper pulp, nitrates, phosphates, potash, copper and steel. On the whole, he returns a verdict of " not guilty " of the charges sometimes laid against them. Some sceptical observers may still be disposed to pursue their investigations a little before agreeing that these organisations are as virtuous as they make themselves out to be, but Professor Oualid's discussion provides at least a useful starting-point for such investigations. A. G. B. F.

37. CONFESSIONS OF AN ECONOMIC HERETIC. By. J. A. Hobson. 1938. (London: Allen and Unwin. 8vo. 217 pp. 5s.)

THE critical observer, looking back on the development of orthodox economic theory, cannot fail to be startled by the ability of economists to side-step problems of income distribution. The earnings of

" factors of production " were fit subjects for the economic theorist; the actual distribution of property was not. As a result, Mr. J. A. Hobson, a pioneer in stressing the danger of over-saving and under-consumption in consequence of the unequal distribution of income, is in a position to speak of himself as an " economic heretic." Until a few years ago he was certainly accounted a heretic; only recently—under the influence of Mr. Keynes and an intractable unemployment problem—has the wheel swung full circle. To-day Mr. Hobson is of unimpeachable respectability; we are all under-consumptionists now.

The present book is a charming and charmingly-written intellectual biography. Mr. Hobson describes his experiences and their relation to the evolution of his ideas. From the beginning he encountered opposition; at an early stage he was forbidden to lecture in political economy by the London University Extension Board. " This was due, I learned, to the intervention of an economic professor who had read my book and considered it equivalent in rationality to an attempt to prove the flatness of the earth." Since then the tide has flowed against the professor and in favour of Mr. Hobson; it is doubtful whether any competent economist would to-day seriously disagree with Mr. Hobson's position as stated on pages 192 and 193 of the present book. This is a book which should be read by all who feel that what economics needs at the moment is perspective. A. T. K. GRANT.

38. LE COMMERCE ET L'ORGANISATION DES MARCHÉS. By Professor H. Laufenburger. [*Traité d'Économie Politique, V*]. 1938. (Paris: Recueil Sirey. 8vo. xii + 658 pp. 90 *frs.*)

THIS substantial work represents the fifth volume of an eleven-volume " Treatise on Political Economy," which is being published under the editorship of Professor Henri Truchy. Accordingly, the limits of the author's subject-matter have been fixed primarily by the necessity of not trespassing on the domains of other volumes in the series. In particular, there is no discussion of international trade in view of the special volume (not yet published) which is to deal with " International Economic Relations ": finance and the organisation of the money and foreign exchange markets are reserved for the volume on " Credit and Banking Organisation "; and the economics of transport is also omitted, though without being provided for, so far as I can discover, in any other part of the whole framework of the " Treatise." Yet even with these limitations, the ground covered by Professor Laufenburger is enormous. In the first main section of the book he analyses and classifies the main kinds of trade and commerce, deals with the evolution of markets and describes in detail the technique and functions of the produce and stock exchanges. He then passes to a consideration of trade in the narrower sense, dealing first with " capitalist " trade, both wholesale and retail, and finally examining non-capitalist types of trade (including the co-operative stores) and the regulation of trade by the intervention of the State. Throughout the book description and analysis are nicely blended. Though chiefly relying for illustrative material upon the markets of France, the author does not neglect other countries, and it would perhaps be churlish to complain that his knowledge about Great Britain is neither so full nor so accurate as it seems to be about Germany and America. Finally, the book is well documented, not excessively disfigured with misprints and, if not as well written as French books of the kind usually are, is eminently readable by our standards. *L. M. FRASER.*

39. THE OUTLOOK FOR GOLD. By Sir Charles Morgan-Webb. 1938. (London: Allen and Unwin. 8vo. 151 pp. 4*s.* 6*d.*)

This little book insists upon the importance of the function of money as a store of value being recognised, and recommends that the Continental and Eastern demands for gold hoarding be satisfied.

The author thinks that with the recent large increase in the world's gold stock the time may be approaching when a redistribution might be attempted, and he suggests that this process might be facilitated by the issue of sovereigns at a fluctuating price. J. F. L. B.

EUROPE

40*. RUSSIA'S WORK IN FRANCE. By Reginald J. Dingle. 1938. (London: Robert Hale. 8vo. 278 pp. 12*s.* 6*d.*)

IN *Russia's Work in France* Mr. Dingle has written an account of the French Popular Front to demonstrate its Communist and revolutionary background. He recalls the part played by the French Communists in the genesis of the movement, links their action up with Moscow by reminding his readers that, at the Seventh World Congress of the Comintern in 1935, the Secretary-General of the Communist International "expressly recommended the formation of Popular Front Governments as a transitional step towards the revolutionary end," and in order to show how this view was shared by the French Communists, he quotes the Secretary-General of that Party as saying in a speech in January 1936, "The Popular Front Government will be a Government . . . which will be a prelude to the armed rising for the dictatorship of the proletariat."

Drawing upon French sources, Mr. Dingle, in dealing with events since the advent of the Popular Front in 1936, alludes to the Communist "plot" alleged to have been planned for that summer; gives some account of the Communist organisation in France, which he is convinced is controlled and financed from Moscow; examines the charges of "Fascism" brought against parties of the Right and touches upon recent developments in the attitude towards politics of a section of French Catholics. His analysis of the Popular Front thus runs counter to the view which attributes France's continued unrest rather to social and economic grievances than to revolutionary inspiration. But whichever of the two interpretations is correct, Mr. Dingle's book serves a useful purpose by placing before the English reader some of the reasons for the profound mistrust aroused by the Popular Front among its opponents and the grounds for the animosities and apprehensions which it has engendered. D. H. LOCH.

41. NEWS OF THE FRENCH. By Montgomery Belgion. 1938. (London: Faber and Faber. 8vo. 390 pp. 8*s.* 6*d.*)

FRANCE'S importance at the present juncture of world affairs assures a welcome to serious studies of the immense and complex problems now confronting the French. Mr. Belgion's survey probes deeply and with understanding into the contrast between the natural resources of France in land, climate and gifted people, and the disorder and malaise which have afflicted her affairs these many years past. He examines a large number of her most critical problems: the antagonisms between workers and trade unions on the one hand, and the employing and wealthy classes on the other; the causes of her grave agricultural and industrial difficulties; the intractable budgetary problem; the Alsatian problem and other movements for local

autonomy; the political scene and the elements of its continuing confusion; the problems of defence and foreign policy. His book contains much material on the various new parties and groups which are attempting to grapple with the causes of France's ills—material which is not easily come by in English, will be new to most English readers, and which would alone make this book valuable.

Mr. Belgion does not spare the French—for whom he has a profound admiration—in his comments on the mistakes of policy and attitude which he considers them to have made. The outcome, as he sees it, reflects largely the views of the important group founded by M. Auguste Detœuf and expressed in the *Nouveaux Cahiers*. Broadly speaking, this view is defeatist as regards France's international position, and brings up to date for present application the Voltairean counsel: " il faut cultiver notre jardin," of taste, individual freedom, intellectual activity and moral insight. But this advice, however great its superficial attractiveness, begs the fundamental and critical question—viz., whether it can really be followed successfully in the face of increasing totalitarian pressure. Mr. Belgion's own reply, implied (or at least inferred) rather than stated, that it is in fact practicable, rests upon a strangely light-hearted view of the relevant parts of *Mein Kampf* and German policy generally. But whether such a policy is sound or unsound, it is important to have it stated and discussed in a book as full of information and insight as Mr. Belgion's useful study.

One quite minor point may perhaps be mentioned. English usage is so consistent in describing French people as " Monsieur," or " Madame " (usually of course in abbreviated form), that Mr. Belgion's use of " Mr." and " Mrs." will certainly irritate many readers; nor is there any very clear reason why this departure from normal practice is in fact necessary. JULES MENKEN.

42. LA ROCQUE ET SON PARTI. By François Veuillot. 1938. (Paris: Plon. 8vo. 93 pp. 3.50 *frs.*)

MONSIEUR FRANÇOIS VEUILLOT is a prominent publicist member of the " Action Catholique," and it is as a Catholic and from the strictly Catholic point of view that he examines the doctrines of the Parti Social Français, ex-Croix de Feu. Until last year the author was a sceptic, but the lawsuit between the Colonel and the Duke Pozzo di Borgo, a former supporter, and the accusation then made by M. Tardieu that Colonel de la Rocque had been subsidised from the Government's secret funds appear to have attracted M. Veuillot's sympathy, and this book is the result of his examination of the case against Colonel de la Rocque and of the spirit, methods and programme of his movement. He concludes in favour of the complete innocence of the leader of the P.S.F.—and certainly his attackers did not come out of the action with increased prestige—and considers, as a Catholic and a Frenchman, that a sweeping constitutional success of the Parti Social Français is necessary for the salvation of his country.

E. D. GANNON.

43. IL NON INTERVENTO IN SPAGNA, Vol. I. By Giuseppe Vedovato. [*Collana di Studi Politici Internazionali*, II.] 1938. (Firenze: Studio Fiorentino di Politica Estera. 8vo. 208 pp. *Lire* 15.)

THIS is the first of three volumes dealing with non-intervention in Spain. It contains all the documents referring to that question down

to April 1937. The second volume will continue the documentary story, while in the third the author promises to consider the problem of non-intervention synthetically from the juridical point of view. In the present volume speeches, governmental declarations, diplomatic notes, resolutions of the Committee on non-intervention, are given in full, and take up most of the space. In between there are short narrative sections describing the work of the Committee, steps taken by the various Governments outside it, and the reason for their attitudes. As far as the reviewer is aware, there are no serious omissions from the documents, and it is interesting that the Italian author should give in full statements such as that made by the Spanish representative to the Council of the League of Nations on December 11th, 1936, in which the speaker revealed the plans of Italy and Germany in Spain and violently attacked international Fascism. As regards the narrative section, Signor Vedovato confines himself to an objective account, presumably reserving his opinions and conclusions for a later volume. The present volume does not bring any new material to our notice, and will not change anybody's opinion of what has happened in Spain, but it is well put together, with an accuracy and conscientiousness which free it from any stigma of propaganda, and will be invaluable as a reference book for historians of the Spanish Civil War. GEORGE MARTELLI.

44. THE STRUGGLE FOR RELIGIOUS FREEDOM IN GERMANY. By A. S. Duncan-Jones, Dean of Chichester. 1938. (London: Gollancz. 8vo. 319 pp. *8s. 6d.*)

THE Dean of Chichester modestly regards his book as being but a popular exposition of the situation. Popular it is, indeed, as regards its form, but it rests upon very extensive and often intimate knowledge. There are, of course, little slips and errors, but a learned German scholar with vastly more knowledge than my own confirms my impression that this little book both in respect of the Protestants and Roman Catholics is most reliable.

I should most be disposed to criticise the Dean's title. From the point of view of the Evangelical Church in Germany the struggle is primarily for freedom to preach the Gospel. From the point of view of the Catholic Church, with its emphatic teaching upon *Naturrecht* and the *lex æterna*, the struggle is not merely for religious liberty, but for Christian civilisation. Of the wider issues at stake the Dean has room to say but little, but, as an account of the struggle itself, his book is to be commended as interesting, fair and very well informed.

NATHANIEL MICKLEM.

45*. KREUZZUG GEGEN DAS CHRISTENTUM. By Franz Zürcher. 1938. (Zurich: Europa-Verlag. 8vo. 214 pp. *Sw. frs.* 3.80; bound, 5.50.)

THE book opens with an account of the tenets and ideas of the "Witnesses of Jehovah" or "Earnest Bible Students," a sect originating in America, but finding many followers among the humbler classes in Germany. They are shown to be simple, literalistic Bible Christians, pious, unoffending and wholly non-political. It is contrary to their tenets to vote at political elections or to raise their hand to any but God; hence they refuse the Hitler salute on conscientious grounds. Being a relatively small sect and counting in their membership none of standing or prestige, they have been handed over to the brutality of the Nazi machine. The rest of the book tells how they have been

imprisoned, flogged, chained, tortured and often murdered in concentration camps by the secret police and the Party roughs. They have taken their sufferings, it appears, as the lot which Christians must expect in this world. I do not think that any man can be expected to read the whole of the second part right through; it is a story of cruelty and beastliness such as sears the imagination. I am afraid there is no doubt about the facts: they are unspeakable, but ought to be known by those whose duty it is to know. There is a plan of the concentration camp where Dr. Niemoeller is confined; to hear the screams from the posts of torture must be torture enough for him.

NATHANIEL MICKLEM.

46. CROSS AND SWASTIKA: the Ordeal of the German Church. By Arthur Frey. With an Introduction by Karl Barth. Translated by J. Strathearn McNab. 1938. (London: Student Christian Movement Press. 8vo. 224 pp. 6s.)

THE author of this book is head of the Swiss Evangelical Press Service in Zurich, and as an acute observer, over the frontier yet in close touch with the course of events, is well qualified to state the issue between the Nazi régime and the Evangelical Churches of Germany. Not the least interesting section of the book is the introduction contributed by the distinguished theologian, Karl Barth, who points out, as indeed he foresaw from the first, that Cross and Swastika are symbols of world views so antithetic that no compromise is possible between them, and that the Church can only remain true to itself by being deaf to both the blandishments and the threats of National-Socialism.

Standing out, as the latter did, in the 1933 revolution as the bulwark of Christianity and Christian civilisation against the perils of an aggressive atheistic communism, there was a natural tendency on the part of the Church to welcome the new order and to co-operate with those who inaugurated it. Disillusionment, however, soon followed. It was not the authoritarian character of the new government which in itself raised difficulties for the Church: for on the Lutheran side, at least, there was a centuries' old tradition in favour of submission to the powers that be, even in matters affecting the Church and its administration. The real issue between Church and State only appeared when it became obvious that behind the centralised government, and as the spiritual basis of the new order, was a *Weltanschauung* with which it was impossible for Christianity to come to terms. In Dr. Rosenberg's *Myth of the Twentieth Century*, and Professor Wilhelm Hauer's conception of the German vision of God, there came to light the fact that, despite its assertion of positive Christianity, the Nazi régime was out to instil into the minds of the German people as a whole, and particularly of its Youth, a new paganism of blood, race and soil, to which the Christian Church could only assent at the cost of losing its soul.

Yet it was a difficult choice for the Church to make, and it was rent asunder in making it. From time to time it seemed possible that a compromise might be effected which would still leave the Church free within its own domain. Each stage in the conflict, however, brought out ever more clearly the hollowness of the professions of friendship for the Church made by the ruling power, and it became abundantly clear that the totalitarian character of the latter was such as would exclude no department of the nation's life, and least of all its religion, from complete assimilation to the basic idea, indeed the basic theology, of the whole movement. In the steam-roller process of *Gleichschaltung*,

the State succeeded in eliminating all rival political parties, the independence of the states, and the trade-union organisations. Only in the Church has it hitherto failed in its purpose of complete co-ordination. It is in the Church that the State's claim to absolute loyalty meets a rival loyalty yet more absolute. To break down this loyalty, and to crush the Church's assertion of it, it has tried every method, including confiscation and violence. It may yet, however, prove that the Church, and that for which the Church stands, is the point at which an all-embracing dictatorship will prove to have over-reached itself, and at which the ultimate liberties of the human soul will be saved from perishing. It is the clearness with which this issue, one of vital importance far beyond the boundaries of Germany, is stated in this book which makes its reading so eminently worth while. P. A. MICKLEM.

47*. OURSELVES AND GERMANY. By The Marquess of Londonderry. 1938. (London: Penguin Books Ltd. Sm. 8vo. 183 pp. 6*d.*)

The original edition of this book was reviewed in the November-December 1938 issue of the *Journal* (p. 851) Certain additions have been made to the text in the "Penguin Specials" edition, and the author has dealt with recent events. He has also included an Appendix consisting mainly of letters from readers of the first edition, among which will be found letters from Herr Hitler, General Goering and Signor Grandi.

48*. THE KAISER ON TRIAL. By George Sylvester Viereck. 1938. (London: Duckworth. 8vo. xxiii + 518 pp. 21*s.*)

This is a life of the Emperor William II "cast in the form of a trial before the High Court of History," in which his whole career from boyhood to 1918 and after is investigated. The author has consulted a vast mass of literature and some documentary sources: he has interviewed many of the protagonists in the drama he describes, and he prints as a foreword to his book a congratulatory letter from Mr. George Bernard Shaw. Nevertheless, such an unholy alliance of fact based on painstaking research, with fiction resulting from "imaginative reconstruction," while it constitutes, to quote Mr. Shaw, "a new method of writing history and by far the most effective and readable one," cannot commend itself to students of history as a serious contribution to the subject.

49. DEUTSCHER VOLKSBODEN UND DEUTSCHES VOLKSTUM IN DER TSCHECHOSLOWAKEI. By Gustav Fochler-Hauke [*Bücher der Grenzlande*, 2. Band.]. 1937. (Heidelberg-Berlin: Kurt Vowinckel Verlag. 8vo. 325 pp. *Rm.* 7.50.)

50. ZWANZIG JAHRE SUDETENDEUTSCHER VERLUSTBILANZ 1918–1938. By F. W. Essler. 1938. (Wien-Leipzig: Wilhelm Braumüller. 8vo. 76 pp. *Rm.* 2.80.)

51*. QUELLEN UND DOKUMENTE: ein Tatsachenbericht über die Lage im Sudetendeutschen Gebiet. By Christian Sigl. 1938. (Wien-Leipzig: Wilhelm Braumüller. 8vo. 85 pp. *Rm.* 3.20.)

DR. FOCHLER-HAUKE is a geographer working at the Deutsche Akademie at Munich. He has produced a useful and serious account of the Czech–German question, with, as one might expect, particularly good maps. His book is, however, little other than a statement of the German case in the quarrel. For example, he takes it for granted that the Czechs were responsible for economic distress in the Sudeten German areas; a careful analysis of the facts does not justify such a thesis. In his historical chapters, to take a quite different case, he declares that the Moravian Compromise of 1905 favoured the Czechs as against the Moravian Germans; here again the simple facts are against him.

Herr Essler's and Dr. Sigl's work is unadulterated propaganda. The former offers very little that is new, and at once reveals his bias

on his second page by his unquestioning acceptance of the accuracy of the Austrian census figures of 1910. This booklet, significantly, carries a preface by Herr K. H. Frank, the man largely responsible for Herr Henlein's violent breach with Prague just after the Nürnberg speech of September 12th.

Dr. Sigl has compiled a catalogue of examples of alleged maltreatment of the Germans in Czechoslovakia during the first half of this year. He wishes to convince his readers of the truth of the Nazi assertion that the Czechs combined terrorisation of the Sudeten Germans with a foreign policy of mock conciliation. It seems extraordinary, but yet it is true, that Germans can unblushingly accuse the Czechoslovak Government of "playing recklessly with the danger of war," while they seem to know nothing of the activities of the German Press and wireless under the direction of the German Ministry of Propaganda. In fact, the Czechoslovak authorities constantly restrained their own journalists to an extent which is scarcely appreciated by those who do not happen to be exactly informed about it. Both Herr Essler and Dr. Sigl published their booklets last summer, and they have concerned themselves, therefore, with a period which was ended when Czechoslovakia was partitioned in October.

ELIZABETH WISKEMANN.

52*. EUROPE AND THE CZECHS. By S. Grant Duff. 1938. (London: Penguin Books Ltd. 8vo. 217 pp. 6*d.*)

IT is a difficult and ungrateful task to criticise this book. It breathes, from its first page to its last, a genuine and unstinted idealism which captivates the reader. It is written in most lively and attractive style, and contains a mass of most valuable material. Nevertheless, it is difficult to recommend it as a safe guide to the Sudeten German question. Its point of view is altogether too *simpliste.* The whole problem is regarded purely in the terms of a struggle between the powers of good and those of evil; to reach which conclusion, not only is such real case as the Sudeten Germans possessed either ignored or misrepresented, but even the long-distant past is painted in a light making it almost unrecognisable to the historian.

In fact, regarded more closely, Miss Grant Duff's book reduces itself to a strategic treatise on the indispensable necessity for preserving the Czech State, within its frontiers of last summer, as a military *point d'appui* against Germany. The military arguments are extraordinarily convincingly put; one must hope devoutly, in view of recent events, that there is a flaw in them, since they lead up to the conclusion that the world is lost if the Czechs do not rule the Sudetic Lands. But except on Miss Grant Duff's own somewhat sweeping identification of Germany with Apollyon, this is surely a somewhat a-moral argument, and presents Herr Hitler with as full justification for his own action as he could wish. C. A. MACARTNEY.

53. IN CZECHOSLOVAKIA'S HINTERLAND. By Henry Baerlein. 1938. (London: Hutchinson. 8vo. 287 pp. 12*s.* 6*d.*)

"Czechoslovakia's Hinterland" is Carpatho-Ruthenia, through which Mr. Baerlein journeys with a guide and interpreter, with whom, and with the Ruthene peasants, Jews and officials whom they meet, innumerable conversations are held (the greater part of the book is in *oratio recta*). Those—and they are many—who enjoy Mr. Baerlein's highly individual style will find that this method in no way hampers their pleasure, since all the characters talk exactly like Mr. Baerlein

himself; moreover, when they digress into politics, they all express exactly the same views as he. By this somewhat indirect method Mr. Baerlein conveys to the reader his conviction of the superiority of Czech rule to Hungarian without committing himself to any detailed examination of political questions. The setting is composed of a great deal of excellent and very lively description, which gives a good idea of the life, customs and landscape of the country.

C. A. MACARTNEY.

54*. THE STRUGGLE FOR THE DANUBE AND THE LITTLE ENTENTE 1929–1938. By Robert Machray. 1938. (London: Allen and Unwin. 8vo. 344 pp. *12s. 6d.*)

MR. MACHRAY'S book forms a sequel (carrying the story up to May 1938) to his previous useful volume describing the genesis and early history of the Little Entente. Like its predecessor, it is a valuable work of reference. Not only the results of the successive meetings of the Little Entente Council, but also the more important statements on foreign policy made at other times by the representatives of the three States concerned, are chronicled with great fidelity. Textual quotations are numerous; dates are exact. To any historian of the period who wishes to avoid laborious research in newspaper files, this book will prove of the greatest possible value. The strictly chronological treatment of events, however, while useful from the reference point of view, detracts from the readableness of the book as history. It is, moreover, disappointing that Mr. Machray, who obviously knows his subject so well, does not go further in interpreting and supplementing the official records which form the basis of his work. The whole book almost reads like one long official communiqué—an impression strengthened by the fact that the author never, or hardly ever, finds anything to criticise in any of the numerous pronouncements recorded by him.

C. A. MACARTNEY.

55. WHAT NEXT IN CENTRAL EUROPE? By Victor Cornea. 1938. (Oxford: The Shakespeare Head Press. 8vo. 71 pp. *3s. 6d.*)

A Roumanian writer pleads for the establishment of security in the Danube Basin against the threat from aggressive imperialism. He finds the remedy in the consolidation of the Little Entente, supported by the Western Powers. Hungary is invited to collaborate by overthrowing her own government and renouncing all her national claims. C. A. M.

56. DEUTSCHUNGARISCHE PROBLEME. By Dr. Gustav Gratz. n.d. [1938]. (Budapest: Druckerei des Pester Lloyd. 8vo. 261 pp.)

DR. GRATZ seems too gentle, too civilised, indeed too optimistic, for the age in which we live. He does not believe that a majority has ever been able to destroy a minority by force. There can be peace in a State with a minority, he writes, "so long as there is no great contrast between that which the minority desires and that which the majority is willing to concede . . ." Unfortunately this happy state of affairs is rare; when it exists there is indeed no problem to consider.

As a matter of fact, the problem of the German minority in Hungary is none the easier because of the subtleties of the situation. For here the two "Herrenvölker" meet, and the Magyarising Hungarian State has a seductive quality for its German subjects which the Slavonic or Roumanian States have lacked.

Dr. Gratz has been a prominent Hungarian German for many years. This publication includes some of his correspondence with Professor Bleyer, a colleague who was less willing to trust in the procrastinating

promises of the Budapest Government. It should not be forgotten that when Czechoslovakia had a big German minority, the Sudeten German children were educated in wholly German schools, while the Germans in Hungary have only now, at the moment of Czechoslovakia's dismemberment, been allowed schools in which more than half (but by no means all) the teaching is in German. ELIZABETH WISKEMANN.

57*. LA POSITION INTERNATIONALE DE LA ROUMANIE. By George Sofronie. [*Brochure d'Information*, No. 1.] 1938. (Bucarest: Centre de Hautes Études Internationales. 8vo. 163 pp.)

IN this short study—the first *Brochure d'Information* to be issued by the Roumanian Centre for International Studies—Professor Sofronie sketches the evolution of Roumania's juridical status in the international community, until its final promulgation in the Treaties of Peace; and then reviews the formal arrangements with which she has surrounded that international position since then. Because of her sensitive geographical situation, and of the attacks which have weakened the guarantee contained in Article 10 of the Covenant, Roumania, in common with other States, has sought to bolster her security by means of a variety of treaties and pacts. Chief among these must be counted the pact of non-aggression with Soviet Russia—which stands to the credit of the persistent good sense of the now exiled M. Titulesco. The agreements with Italy and Hungary have less weight and solidity. The alliance with France stands in a class by itself. With England, Roumania has no political agreement of any kind; but for Roumania, as for other small States, England's re-armament, says M. Sofronie, " signifies also an increase of their security " (p. 139). There are, then, the specifically regional arrangements, the Balkan Pact and, especially, the Little Entente; the latter having evolved into a somewhat novel form in international law since it established a joint representation at the League.

All these, together with a number of arbitration treaties, as Professor Sofronie indicates, stand and work within the framework of the League of Nations; and it is well to be thus reminded that, apart from its general authority and activity, the League supports a vast structure of particular arrangements which derive their strength, and often their existence, from it. With justifiable pride in the tenacity of his people through centuries of suffering and injustice, M. Sofronie says that their present status is the logical and proper working out of the principles of nationality and self-determination. He claims that Roumania has justified her rise by the use she has made in her new State of the instruments for the peaceful settlement of disputes and by her continuous interest in the strengthening of the League's Covenant. But like his Government's, M. Sofronie's view of an international system is somewhat one-sided, for the need for definite rules for peaceful change seems neither clear nor welcome to him. In general, this first study from Bucarest is a sober enough survey of its subject, which will help to prepare a welcome for its successors. D. MITRANY.

U.S.S.R.

58*. SOVIET TRADE AND DISTRIBUTION. By Leonard E. Hubbard. 1938. (London: Macmillan. 8vo. 381 pp. 12*s*. 6*d*.)

THIS book carries the stamp of a writer who knows his subject, and knows it well. Those who would understand Soviet Economy are presented with the opportunity better to grasp some of its fundamental

features. Much of the constant flow of words concerning the experiment of Soviet Socialism fails to gain confidence from the impartial observer on account of obvious bias. *Soviet Trade and Distribution* offers a welcome exception. Written by one who has previously impressed by his expert knowledge of the U.S.S.R., it convinces by its refreshing objectivity.

Twenty-seven chapters are devoted to describing the various Soviet distributive organisations and their functions. Each contains a wealth of information, the collection, assessment and presentation of which have obviously called for infinite research, patience and discernment. The author himself suggests that his descriptions are given in somewhat tedious detail, but to use words which he applies in another and quite different connection, " the efficiency of any system rests ultimately on its concrete achievements." In the case of this book the system of employing great detail results in making the conclusions, to which a special section is devoted, far more convincing than they would otherwise be.

The author concentrates his attention upon the economics of domestic trade (external exchanges are not mentioned). " The eventual survival of the Revolution," he observes, " will depend more on its economic achievements than on the realisation of abstract ideals of equality, democracy and liberty." This is a theory which will command support after reading this book with an open mind.

A. R. Knowles.

59*. Russia under Soviet Rule: Twenty Years of Bolshevik Experiment. By N. de Basily. 1938. (London: Allen and Unwin. 8vo. 508 pp. Map. 18*s*.)

This volume is a solid and substantial study of the Soviet régime, its origins, and its achievements in the political, economic and cultural spheres. The author is an *émigré* Russian who previously held diplomatic posts of importance, and who was obviously an intelligent critic of the Tsarist Government. He writes on the basis of a definite thesis, maintaining that, before the War, Russia was moving slowly but steadily towards democracy and freedom, a process which, he says, has been violently interrupted by the Bolshevik revolution, to Russia's great and lasting loss. He also argues that, although the recent industrialisation drive is more in harmony with Russia's organic development, it has been carried through too rapidly, and has inflicted sufferings upon the people which more than counteract the benefits conferred upon the country by new factories and mines. Although neither of these assertions is capable of exact proof, impartial observers of developments in the U.S.S.R. will be inclined to agree with the latter.

The book can be recommended as an interesting and well-documented study, which should serve as a useful corrective to the numerous uncritical eulogies of Soviet achievements already in existence. Unlike most critics of the present régime in the U.S.S.R., Mr. de Basily has hopes for the future, and concludes on a note of optimism.

Margaret Miller.

60*. L'Armée Rouge: La Puissance militaire de l'U.R.S.S. By Colonel Theodore H. Makhine. 1938. (Paris: Payot. 8vo. 352 pp. 40 *frs*.)

This description of the new Russian army, its organisation, training, equipment and tactics, is full of interesting details. It is not, however, based on personal observation, but principally deduced from

Soviet publications, and often from German sources, the latter probably very exact. The army and other Soviet institutions are therefore depicted as they exist on paper, and the spirit which is said to animate them is that which the founders wish them to possess. The picture may or may not correspond with the realities. Optimism runs through the whole book, culminating in the assurance that "an avalanche of twenty million men will be ready to receive the enemy and crush him." That Soviet Russia has created a formidable well-trained modern fighting force is beyond doubt.

The Red Army stands for peace and for the independence of the nations, says the author. Indeed, it is evident that the Soviet Government could expect nothing but evil from military aggression against its neighbours, but of the underground activities of the Communist International (Komintern) in every country and its close connections with the Soviet Government not a word is said. The periodical executions of army commanders are not mentioned either.

The survey of Russia's neighbouring States makes interesting reading, though in China the author is somewhat out of his depth, and his spelling of names in Manchuria makes them often unrecognisable.

W. J. OUDENDYK.

61. COMRADES AND CITIZENS. By Seema Rynin Allan. With an introduction by Beatrice Webb. 1938. (London: Gollancz. 8vo. 392 pp. 10s. 6*d*.)

A YOUNG American journalist made many friends in Russia while she worked as a reporter on the *Moscow Daily News* from 1932 to 1934, interesting years, during which the citizens of the U.S.S.R. were just emerging from the rigours of the first Five-Year Plan. On the basis of her experiences she has written a volume which can justly claim to be almost unique among books on the U.S.S.R., in that it contains no statistics and no abstract discussions on institutions or policies. The author relies on her descriptions of varying Soviet types to tell the story of developments under Soviet rule, the result being a vivid and sparkling story, told with humour and considerable descriptive power. It is apparent that the author is biased in favour of the Soviet experiment, but this is not allowed to obtrude unduly in her narrative.

It would be interesting to know how Miss Allan manages to extract long and informative letters from her Russian friends years after she has left the country. Some of us are less fortunate.

MARGARET MILLER.

62*. FROM TSARDOM TO THE STALIN CONSTITUTION. By W. P. Coates and Zelda K. Coates. 1938. (London: Allen and Unwin. 8vo. 320 pp. 10s. 6*d*.)

THE indefatigable authors of many other books on the U.S.S.R. have now produced a review of events in that country ranging from the early days of the Revolution up to the present time, with special chapters on the new Constitution and the recent "treason trials." Their attitude is quite frankly propagandist, all aspects of life and Government activity in Tsarist days being as heartily condemned as developments under the Soviet rule are praised. These developments are considered from the point of view of different groups within the country —*e.g.*, the working class, women, the intelligentsia—and extensive use is made of direct quotations from the writings or statements of individuals, a method which certainly adds colour and human interest to the narrative.

The book will appeal to those who have no time to read such a lengthy and thorough study as that produced by the Webbs, as well as to those who desire information and statistics given in a less arid form than in the usual year-book or statistical annual. MARGARET MILLER.

63. THE RED ARMY. By Erich Wollenberg. Translated from the German by Claud W. Sykes. 1938. (London: Secker and Warburg. 8vo. viii + 283 pp. 10s. 6*d*.)

A VERY interesting book, but disappointing to those who expect a description of the U.S.S.R. military forces. It deals principally with Soviet internal politics, from the disintegration of the Russian army, hastened on by the Bolshevik Revolution down to Stalin's so-called trials. A great part of the book is devoted to the civil war in Russia, on which it throws many interesting side-lights in a more objective manner than is usual for Marxist authors.

The author erroneously states on page 96 that Kolchak shot himself, whereas he was handed over by the Czechoslovaks in Siberia to the Reds who executed him on February 7th, 1920. Foreign trade in Russia was not stifled by the "blockade," but by the Bolsheviks' expropriations (p. 109).

By far the most interesting chapters are the last two, showing the curious relations between Germany and Moscow after the Rapallo treaty, and also the means Stalin employs for destroying his opponents. The author, an admirer of Trotsky and Tuchachevsky, has no use for Stalin's "totalitarian terroristic despotism," which only serves "to protect the ruling class against the interests of the proletariat."

It is significant that the slogan "All power to the Soviets" should be raised again in Russia after twenty years of so-called dictatorship of the proletariat. W. J. OUDENDYK.

NEAR AND MIDDLE EAST

64*. ENGLÄNDER, JUDEN, ARABER IN PALÄSTINA. By Giselher Wirsing. 1938. (Jena: Eugen Diederichs Verlag. 8vo. 280 pp.)

IT is interesting to read this study of Palestine by a German writer who is an authority on international affairs, is one of the editors of the review, *Die Tat*, and visited Palestine last year during the period of strife. He has been a careful student of the English and German literature on the Middle East, and has culled from it some passages to support his thesis that the Jews are seeking to build up a centre of power which threatens the stability of the British Empire in the Orient. Palestine, as he sees it, is the "earthquake centre" of the East. The troubles there challenge the "inconsequence" which, according to Lord Cromer, has marked English expansion.

The author gives a fair account of the constitution and the government of Palestine and of the report of the Peel Commission, though he is critical about its conclusions and the policy of partition, which, to his mind, will aggravate the difficulties. In these aspects of the study he seeks to preserve a certain objectivity. But when he deals with the part of the Jews in Palestine, he has to bring in the National-Socialist ideology of a conspiracy of the Jews to seize world-power. Palestine is, therefore, not simply to be a National Home, but it is designed to be the Jewish State from which they may go out to conquer. In the cause of this ideology he has to disregard or distort facts. In order to make the point that Jewish international financiers were in league with the Zionists to secure the oil-fields of Mosul, he makes Sir Herbert Samuel a relative of the late Lord Bearsted, the founder of

the Shell Company; and perversely describes the first High Commissioner of Palestine as the "trustee of Jewish oil-capital."

Again, he describes the Board of Deputies of British Jews, a very respectable body, as the citadel of the Elders of Zion. He seems to be incapable of accuracy when he mentions Jews, even if they are friendly to his theme; and he makes the late Edwin Montagu Colonial Secretary.

If the book is not reliable throughout, and is consistently inaccurate in detail, it has a certain distinction for the student of international affairs and the Middle East who wishes to know how others see us.

N. BENTWICH.

65. COLLECTIVE ADVENTURE: an informal Account of the Communal Settlements in Palestine. By Maurice Pearlman. 1938. (London: Heinemann. 8vo. xii + 292 pp. 10s. 6*d*.)

ABOUT 15,000 of the Jewish inhabitants of Palestine live in communal agricultural settlements. In these communities all property is held in common, the upbringing of children is a communal responsibility, women are—with certain reservations—given full economic equality with men, and the connection of social prestige with non-manual occupations is broken down. The social experiment in which they are engaged is intimately bound up with the cultural and racial ideals of the Zionist movement, and is thus given an incentive which could not be paralleled elsewhere. Nevertheless the data which these settlements will in time provide should be of immense value to sociologists and reformers in other countries. The excellent statistical services which the settlers have established will help to provide material for the necessary survey, but it will not be possible to reach dependable conclusions until the rise of at least a second generation reveals the latent tendencies of the communal movement, and above all the results of its educational system.

Meanwhile this impressionistic report by an observer who has lived and worked in the settlements, and who describes their organisation and objectives with admirable clarity, is both useful and interesting. It should have been possible for Mr. Pearlman to substantiate his personal judgments by a more liberal and exact use of statistical material, but his sympathetic account of a fascinating experiment deserves a wide audience. H. BEELEY.

66. SEARCH FOR TO-MORROW. By Rom Landau. 1938. (London: Nicholson and Watson. 8vo. xix + 404 pp. 10s. 6*d*.)

67*. ISLAM IN THE WORLD. By Zaki Ali, M.D. 1938. (Lahore: Shaikh Muhammad Ashraf. 8vo. xi + 428 pp. *Rs*. 4.8.)

MR. LANDAU'S account of his investigation into the spiritual forces that are at work in the Near East to-day leaves a confused impression on the reader. On the one hand, one cannot but welcome the motive of the author's "search"; on the other, there is no indication that he thought it necessary at any stage to study the original elements which have gone to make up the cultural and intellectual life of the Near East. When one comes down to the method employed—that of conversations mostly with public personalities—there is the same conflict of impressions. That they are faithfully recorded is evident from the occasional disjunction of ideas between the speakers, especially when the conversation was conducted through an interpreter. Mr. Landau thinks inevitably on Western lines, and the effort of adaptation on the part of some of his interlocutors is seen in their somewhat set pronouncements. This results in a slight artificiality, which shows

up very clearly in the contrast offered by the simple sincerity of King Abdul-Aziz Ibn Saud and—in another key—by the quotation from a "British official" on pp. 29–32. These two sections are probably the most striking in their realism and clearness of vision.

Interspersed with the conversations are the author's own impressions and interpretations (some sections, as that on Turkey, consist mainly of these), and here again one does not know whether to admire more his bold and often acute generalisations or to distrust the facility with which they are erected on very slender foundations. When Mr. Landau eventually reaches Greece, Bulgaria and Yugoslavia, one feels a change in the atmosphere of the book. Here he is more at home, and here he can make that direct contact with the basic religious movements which was beyond his reach in the Muslim lands. This is a hard saying, but Islam does not wear its heart on its sleeve, and it is not easily to be found in Cairo, Beirut or Baghdad. Yet, all things considered, both in the purpose and in the title of his book, in his insistence, that is to say, that the spiritual approach offers the clue to understanding the problems of to-day and solving those of to-morrow—even in Palestine—he is surely justified, and no one can read it without gaining some measure of insight into the realities that are too often concealed by political and diplomatic externals.

Dr. Zaki Ali's book reinforces Mr. Landau's thesis from a somewhat different angle. Here the Muslim speaks for himself, and lays bare for the English reader his historical outlook, his convictions, his ideals and aspirations. Islam and the Muslims have been cruelly misrepresented by all but a fraction of European writers for so many centuries, that it is natural and entirely praiseworthy for Muslims to expose the fallacies that are still too widely current and try to substitute a more truthful picture. It would be a very easy task to pick holes in his survey. Few Muslim apologists and propagandists have yet learned that exaggerations and suppressions do more harm than good. In an appeal to scholars, gross errors in history and misrepresentations of fact are apt to prove disastrous; and in addressing students of current affairs, a point of view so one-sided as this is dismissed as propaganda. And yet one hopes that this book will be read. The author in his preface, admitting his inability to deal adequately with so vast a subject, pleads for its acceptance as a "contribution to the general efforts of people of good-will in the East and the West to promote a spirit of mutual understanding." The passionate sincerity with which he writes should find a response amongst all but the hopelessly prejudiced, and it is the more convincing since the writer is a man of scientific training and attainments. Even if his enthusiasm and idealism sometimes lead him to overlook or undervalue other factors in the problems with which he deals, ideals are of the very stuff of history, and this full exposition of them should help us to avoid the opposite error. H. A. R. GIBB.

AFRICA

68*. AFRICA EMERGENT: a Survey of Social, Political and Economic Trends in British Africa. By W. M. Macmillan. 1938. (London: Faber and Faber. 8vo. 414 pp., maps. 15s.)

PROFESSOR MACMILLAN brings to the writing of this book the experience of half a lifetime spent in southern Africa—surely one of the great social laboratories of the world—and of visits to the West Indies, the old slave States of the American Union, and nearly all the colonies of British tropical Africa and some that are not British. He

thus shares modestly with the Colonial Office the privilege of seeing the problems of any one of them in relation to those of the rest.

His thesis is simple. "Changing Africa," apart from its minerals, is a poor, thinly peopled continent dominated by natural forces which have been too much for its unaided native inhabitants and even for many of its far better equipped European invaders. Its peoples must receive skill and capital (plenty of it) from outside if they are to construct a framework of decent civilised life. The problem is in what form and under what control are the skill and the capital to come.

Professor Macmillan sees much that is admirable in the growing system of indirect rule, always provided room be found for educated, detribalised Africans, and that undesirable institutions and persons be not bolstered up, perhaps under the influence of the "museum" school of anthropologists, simply because they are African—as African as hookworm and juju. On the other score, he sees more hope in plantation owners of the Nyasaland type, and in highly organised mining companies like those of the Witwatersrand and the Ndola copper belt, than in smallish farmers, prospectors and diggers who have such a struggle to keep their heads above water that they cannot take the long view that is absolutely necessary if Africa is to benefit from the coming of the white man. Incidentally he holds up the old Transvaal and then the Union as models to the smaller African states farther north, which, unlike them, do not get nearly enough revenue from the minerals that are the only sources, apart from Imperial subventions, large enough to finance essential social services.

Of one attempted solution he has nothing good to say, and that is the system of segregation which prevails in the Union and is spreading northward as the resident Europeans gain control of the legislatures. It is a new system radically different from the old system of reserves, which took it for granted that numbers of Natives would live and prosper outside the tribal headquarters. Segregation, on the contrary, demands that the Native shall be a servant in the European area, which is usually the larger and more compact of the two parts of the territory, and contains nearly all the material framework of civilisation that has been built up by overseas capital, local European supervision and Native labour. True, he is to be free to "develop along his own lines" in his own areas; but these lack nearly everything, and can only be developed by funds supplied by a legislature in whose election the Native has hardly any voice. It is an attempt to set up two different economic systems in a single State, both of which depend in the last resort on Native labour. It may well happen that "civilisation" will be interpreted in practice as "white civilisation," and, in the effort to maintain that at all costs, the moral principles, which alone make civilisation worth having, will be thrown overboard. That, at all events, is Professor Macmillan's view, and it is one that is worth pondering over by all who take note of the interactions of Africa and the Western world.

ERIC A. WALKER.

69. L'ÉPOPÉE COLONIALE EN AFRIQUE OCCIDENTALE FRANÇAISE. Par Général Duboc. 1938. (Paris: Editions Edgar Malfère. 8vo. 400 pp. 45 *frs.*)

To compress within four hundred pages the story of the conquest, pacification, and organisation of what is more than a third of the African continent is an achievement which the historians of few countries would attempt. Yet these three stages of each of nine colonies have been dealt with.

The first section deals with Senegal, and opens with an historical note dealing with the discovery of the coast of Guinea in 1339, and traces the struggles in which it was ultimately subdued in considerable detail—one lesson which is drawn from the operations in this territory is that it is necessary to allow Governors a term sufficiently long to acquire a proper knowledge of the colony and to amass an experience without which nothing stable can be achieved. This treats of a period before the creation of a colonial service as it is known to-day.

There follow sections which treat of the remaining colonies in chronological order: the general direction of the operations by which this vast area was brought under control was N.E. to S.W. Therefore the pacification of Senegal is followed by a series of smaller expeditions towards the Niger and the conquest of Sudan. This area has no connection with the area known as the Sudan. The French colony is bounded on the east by Nigeria, on the north by Algeria, on the west by Mauretania, Senegal and French Guinea, and on the south by the Ivory and Gold Coasts, Togoland and Dahomey. Being thus established, the French proceeded to the conquest of the country contained within the sweep of the Niger and then the Colonie du Niger stretching from the river to Tripoli and Libya—this latter an odd-shaped bit of country, roughly a square with the south-east corner ripped away and a sort of bunion added to the south-west. It was in Nigeria that an attempt was made to raise a Jihad in 1916 but without success though Agadez was invested and besieged for eighty-two days until relieved. A company of West African Rifles was sent to Madaoua to assist in maintaining a reserve.

The details of the small columns and forces employed on raids and expeditions which are to be found interspersed in the sections resemble the accounts of engagements in British military histories. But in a preface General Billotte has said that the work is one entailing vast researches, and that the author has saved from oblivion the names of many comrades. From a strictly utilitarian point of view the value of the book would have been much enhanced by summarising the lessons learnt in the operations of each section and by the provision of clearer maps: no book without an index may be judged complete.

R.

UNITED STATES

70*. The United States in World Affairs: an account of American Foreign Relations 1937. By Whitney H. Shepardson and William O. Scroggs. 1938. (New York: Harper & Brothers, for the Council on Foreign Relations; London: Hamish Hamilton. 8vo. xiii + 338 pp. 12*s.* 6*d.*)

This is the seventh of the Council on Foreign Relations' annual volumes, and in many ways the most interesting. At the outset the authors point out the importance of the year 1937 in Europe and the Far East; they summarise the main economic and political trends which led to the chaotic conditions of Europe and the extreme Orient; and they emphasise the difficulty of analysing current events when all our traditionally reliable concepts of international dealing have been nibbled away or subverted to facilitate aggression and war in all but name. For instance, they examine the fear of war which actuated British and French policy in 1937, and observe that the Non-intervention Committee did not prevent intervention in Spain by Italy and Germany; it only prevented Britain and France from being drawn into the arena, and left that arena free to Italy and Germany. Under

the heading "Neutrality at any Price," they provide the best analysis of the American Neutrality legislation and discussions which has yet come my way. They then describe the hectic progress of world re-armament. An extremely interesting examination of trade trends, including both self-sufficiency and Mr. Cordell Hull's system of trade agreements, follows; and this ends the initial section of the book.

The more American part opens (Ch. VI) with a study of Mexico in transition; and those who want to know why recent Mexican developments bulk so large in current American discussions on foreign policy should not miss this chapter. It gives the background for the more exciting events in Mexico since President Cárdenas expropriated the sixteen oil companies last March. The authors observe that Mexico is becoming "a fertile field for external influences not acceptable to Washington." The next chapter is as good as that on Neutrality; this being on "The Modern Monroe Doctrine." Those who want to set the results of the Montevideo Pan-American Conference beside this year's work at Lima, will do well to read it. Porto Rico, Haiti and Dominica, and the Philippines take up another chapter; and the succeeding two chapters are devoted to Japan's war against China, and to American policy and reactions towards that war. In these, the Chicago speech by President Roosevelt, the Brussels Conference agenda, the *Panay* incident and its aftermath, are all discussed. The last chapter is a wholly admirable examination of the peace-at-any-price policy for the United States, in which much space is given to an analysis of the famous "Ludlow Resolution," calling upon the Administration never to go to war without a referendum of the electorate. In appendices there are summaries and extracts of outstanding speeches; Notes, etc.; statistics of trade; and a detailed chronology of events in 1937 as seen from the American end.

English readers of this book—and it deserves legion—must remember that it is addressed to the many millions of educated American citizens whose anxiety over world affairs in 1937 declared itself in a great wave of unsatisfied interest. Their interest found insufficient food, despite new magazines, films, coast-to-coast broadcasts, and many speeches and lectures by experts. This volume should satisfy that American need; but it should also be in the hands of all those English men and women who desire an understanding of the indefinable, but not indefinite, "American point of view." It is, indeed, rare to find a book, arranged by subjects and in chronological order, that one can read through with unflagging interest. That is in no small measure the achievement of the authors' delightfully whimsical, and even sardonic, style. The year now ending should give them more exciting material; and their digest of American opinion will be eagerly awaited over here.

GRAHAM HUTTON.

71*. THE AMERICAN CONSTITUTION. By Sir Maurice Amos. 1938. (London: Longmans, Green and Co. 8vo. ix + 178 pp. 7*s*. 6*d*.)

IN these lectures, delivered in Cambridge in 1938, Sir Maurice Amos considers the legal rather than the political aspect of the American Constitution. For more than a hundred and fifty years the Constitution, with its amendments, has been the touchstone by which numerous Federal and State statutes have been judged, and the laboratory in which the tests have been made is the Supreme Court. By necessity, therefore, this work largely consists of a commentary on decided cases, but it is much more than a mere digest fated to fill a space in a lawyer's book-case. If all legal text-books were as good

reading as this, the lot of the student would be pleasant indeed. The book includes the text of the Constitution and a chapter on the " New Deal " cases.

From an examination of the decisions of the Supreme Court on constitutional questions two facts clearly emerge, both of which are commonly overlooked at the present time. The first is that the court has not always been regarded as the arch-opponent of Congress and an obstacle in the way of progress. Much of the early criticism of the court was on the ground that it supported the presumptuous claims of Congress against the States and the individual. The second fact is that it is only when an aggrieved party brings his challenge before the court that a decision is given. The court does not, of course, declare Acts of Congress or of the State legislatures unconstitutional of its own initiative. E. M. PRICE HOLMES.

72*. L'OPINION AMÉRICAINE ET LA FRANCE. Par le Groupe d'Études Franco-Américain du Centre d'Études de Politique Étrangère. [Publication No. 8.] 1938. (Paris: Paul Hartmann, for the Centre d'Études de Politique Étrangère. 8vo. 97 pp. 15 *frs.*)

THIS is the work of a group of scholars and publicists and is presented by Jacques Oudiette as *rapporteur*. It notes that Americans as a whole have only a very imperfect acquaintance with France. Nevertheless, of all Continental States, France interests Americans most of all. The report analyses and comments on the chief sources which form American opinion about France. These are school, Press, cinema, radio, Church, the experience of Americans who have stayed in France, and the attitude and influence of certain foreign peoples—for instance, the English. On all these things this report has much of interest to say. It also deals succinctly with questions that specially interest the French and Americans, such as War Debts, and the organisation of peace. Differences between the two peoples of temperament and moral outlook are discussed. Whether or not readers, French or American, will be satisfied with the information and discussions of this little book, they will certainly be stimulated to thought and observation, and they cannot fail to gain in knowledge. R. B. MOWAT.

73. A NEW AMERICAN HISTORY. By W. E. Woodward. 1938. (London: Faber and Faber. 8vo. 750 pp. 12*s.* 6*d.*)

THE reader of this clever and interesting volume will avoid the injustice of unfair criticism if he realises that the author is not researching but dramatising:

" I like stories; they move; they possess colour and life. As I have written this book my own way— . . . without reference to other patterns of expression, it is unconventional. . . . I am merely the story-teller, supplying the interpretations whenever they are needed."

These interpretations are largely socialistic in tendency, which perhaps justifies the title, " A New History of the United States "; for American historians have, in general, been perhaps over-conservative in dealing with socialistic movements, or in neglecting them. Far too little attention has been paid to the numerous socialistic or communistic experiments in American history, and, to a considerable extent, this volume makes good the deficit. But not completely, for it lacks the detailed discussion of the early socialistic or communistic experiments in Virginia and New England.

The author's interpretation of the Ordinance of 1787, which created the system by which American Territories are changed into

States, is typical of his general treatment of all periods of American history.

"Would it not have been better," he asks, "to have the entire region [the north-west Territory] as public property for ever? Farms might have been leased for a generation or for a hundred years. Towns and cities could have been built by the nation, as they were needed. There would have been no land speculation, with grotesque values of city property, as the public would have owned the land."

Mr. Woodward feels that the Convention of 1787 prepared the way for dictatorship, which he thinks could be set up within the law, if "Congress would meet, declare that a national emergency exists, vote unlimited authority to the President, and adjourn *sine die*." And he views with complacency the effects of dictatorship upon that individual liberty which most Americans so much cherish. "There is a time and a place for the pioneer, the individualist," he says, "but in a modern, compact, highly organised society, he is not helpful, but destructive." He pronounces the constitution "one of the cleverest State papers in the world's history," not because it created a new type of Federation, but because it protected wealth and land without appearing to stand for that policy. And he also pronounces it out of date: "We are living in a new world with new problems, new necessities, and new economic realities. Yet we have . . . an antiquated, senile constitution, creaking with the rheumatism of age." His solution is "a convention every twenty years" to "revise the entire constitution so that it would be in harmony with the actual existing realities."

Hamilton's work as the first Secretary of the Treasury he scorns: "he showed the wealthy how to acquire legislative and economic domination of the United States, and how to hold it." He feels that this lesson was so lasting that "if he [Hamilton] were brought back to life to-day, within ten minutes . . . he would be . . . passing out quiet tips to the wealthy go-getters to buy Glorified Chemicals at the market price, as the pool is about to shove it up above eighty." He pronounces George Washington "banker-minded," and is certain that he "never had any conception of the dynamic force of ideas."

Mr. Woodward's own view of capitalism is frankly stated: "There can be no reconciliation between capitalism and democracy; one of them must capture the other, and hold the victim in bondage." And he leaves his readers no room for doubt as to which is to be the victim, according to his guess. His discussion of the socialistic or communistic experiments tried in America during the past century, however, furnishes little to support his view of the coming victory of socialism. He devotes seven of his seven hundred and fifty pages to Robert Owen's New Harmony, The Brook Farm, the Oneida Community, the Mormons and a few others of the "sixty-odd groups or communities" of similar character which appeared and disappeared "in the course of thirty years"; but in no one, with the possible exception of the Mormons, does he find success sufficient to indicate that American history has produced anything superior to Capitalism.

It would be a mistake to pass over this book because of its somewhat flippant style. It contains much that should be known, and which does not ordinarily appear in one-volume histories of the United States; and the familiar incidents are retold with a freshness which gives them a new interest. Whether one agrees with Mr. Woodward's views, or detests them, he will find the book well worthy of careful reading. ROBERT MCELROY.

FAR EAST AND PACIFIC

74*. JAPAN: THE HUNGRY GUEST. By G. C. Allen. 1938. (London: Allen and Unwin. 8vo. 261 pp. 10s. 6d.)

PROFESSOR ALLEN spent three years in Japan between 1922 and 1925, and again visited the country in 1936. He was thus able to make a comparative study of the changes which had taken place in Japan in a decade. Professor Allen has produced a book written with an objectivity which is all too rare in material published on Japan during the past few years, and in these times we may be grateful for the author's reminder that "there are men working in obscurity for ends that have nothing to do with the more vulgar manifestations of national pride; men whose influence for good is great because in them the power of self-abnegation characteristic of the race is allied to noble purposes. They are found in all branches of national life—in teaching, art, letters, administration, and business. When the ranting of the vulgarians and the nationalists dies down, their voice may be heard."

Not the least useful part of the book for anyone desirous of understanding present conditions in Japan is the chapter on the structure of society and the importance which the group and the clique, as opposed to the individual, play in Japanese life.

Professor Allen has a chapter on fields, factories and workshops which affords a clear picture of the internal economy of the nation and the importance of the Zaibatsu, the great business houses whose tentacles spread throughout the economic organism and of whom the author remarks that "the Trust builders of America would have felt at home in their society."

For the next edition a misprint at the bottom of page 150 should be corrected presumably from 1½d. to 1s. 6d.

Distributed throughout the book are some illustrations, which, as they have no reference to the text, distract the attention of the reader, but this is only a small grumble about an excellent book.

BARNARD ELLINGER.

75*. AFFAIRS OF CHINA. By Sir Eric Teichman. 1938. (London: Methuen. 8vo. 312 pp. Maps. 12s. 6d.)

WHATEVER may be the outcome of the struggle in China, Sir Eric Teichman sees in the future a new era in the Far East for the world. It is well, therefore, that he has been induced to put on record a plain unvarnished account of China's bid for independence—independence originally of Western overlordship and, in these later years, of Japan's militarist encroachment. The tragic tale is unfolded with rare understanding, cast-iron adherence to facts, albeit tinged with a Greek sense of inevitable doom. Yet the author is not fundamentally pessimistic. He sees China's strength in the dynamic nature of her resistance, in her immensity and in the inherent stability of her national economy. Her weakness is in her superficial unity and the restricted base of her Government's structure. The cement of Japanese aggression has alone prevented the Communists and rival war-lords from challenging the National Government's authority. On the problems of Western relations with China—tariffs, extraterritoriality, concessions, trade rights, finance, politics—the reader receives lucid and reliable instruction. It is a book with which no objective student of Far Eastern affairs can possibly afford to dispense. It fills a long-discerned gap in British modern writing on China. Skill in compression is allied to a nice judgment of essentials, although

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DR. ALLAN G. B. FISHER, Price Professor of International Economics at Chatham House, has recently returned from a visit to South-Eastern Europe. He was formerly Professor of Economics at the University of Otago, New Zealand (1924–34) and at the University of Western Australia (1935–37).

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THE GERMAN TRADE DRIVE IN SOUTH-EASTERN EUROPE[1]

ALLAN G. B. FISHER

IN broad outline the facts about German trading policy in South-Eastern Europe are now fairly well known. Countries with economies founded upon peasant agricultural and pastoral production found themselves a few years ago faced by the unpleasant necessity of selling large export surpluses at ruinously low prices. Conveniently, as it seemed to them, Germany came forward at this juncture and offered to buy substantial fractions of the surplus at nominally high prices. Payment was forthcoming, however, only in the form of blocked marks, which could be used for purchases of German goods, but for no other purpose, so that in return for the goods exported to Germany, German goods of equivalent aggregate value had to be imported, and various complications and difficulties have arisen in arranging for these purchases.

It is not difficult to believe that the receipt of high prices is gratifying to the peasant producer, and a simple-minded observer might well ask why other people who apparently feel no great eagerness to buy the products of the Balkan countries should make such a fuss when the Germans step into the breach. The answer to this question is twofold. In the first place, to assist the choice of goods to be imported from Germany, the German authorities, it is believed, frequently use devices which the exporters of other countries stigmatise as " unfair " competition. And secondly, and perhaps more important, the objective towards which the Germans are moving is widely believed to be not commercial or economic in the ordinary popular sense of those terms, but political. For political reasons Germany aims at as high a degree of autarky as possible, and finding that the harsh limitations of nature prevent her from satisfying every basic need within her own boundaries, stretches out to adjoining countries and aims at bringing them under control, so that she may be assured of adequate supplies of the things which natural limitations compel her to import, cereals, timber, copper ore,

[1] Address given at Chatham House on January 31st, 1939; Mr. Clement Jones, C.B., in the Chair.

iron ore, bauxite, livestock, oil, cotton, tobacco and so on, without having to rely upon the trading goodwill of countries which could more easily maintain an independent position in their political relations with Germany, and connections with whom might easily be interrupted in the event of war. If such political ambitions exist, they are clearly extremely important for the rest of the world, and apprehensions on this score have naturally been intensified by the events of the latter months of 1938. Already in March the Austrian *Anschluss* had been a warning to other States, and as Czechoslovakia had stood out still more clearly as an independent rallying-ground against German penetration, her collapse in October appeared on both strategic and economic grounds to open the way for a swifter and more thorough-going consolidation of German influence in the States which lay farther to the east or south. As a Belgrade government newspaper put it in October, the experience of Czechoslovakia was " a cruel lesson for small nations," a lesson whose content is well indicated by the observation made in the same month by a Roumanian paper, whose editor has since become Foreign Minister. " Germany," he said, " has her plans : have other countries their plans? If the other Powers have no plans, we must perforce go with Germany." Both in the Balkans and elsewhere, the Balkan pilgrimage of Dr. Funk, which was reminiscent of the journey made in 1936 by Dr. Schacht, his predecessor at the German Ministry of Economics, was therefore naturally interpreted as a logical consequence of Munich.

It is no doubt natural enough that here in London, and no doubt in Berlin and Paris too, many people should think of the economic problems of South-Eastern Europe primarily in terms of the interests, whether rival or complementary, of the great Western Powers. Clearly, however, the correct starting-point must be the interests of the people of South-Eastern Europe themselves, and it was in the first instance from that point of view that I endeavoured to pursue my inquiries during a hurried visit to the Balkan countries and Hungary last December. It is interesting and important to determine whether German policy is " a good thing " for Germany, or " a bad thing " for Great Britain, but one must first determine whether it is " a good thing " for South-Eastern Europe, or whether, on the contrary, Dr. Funk's claim, made in Ankara on October 6th, was justified that the new German methods of economic co-operation would bring peace, prosperity and happiness to Germany's partners. It is scarcely conceivable that German pressure could be success-

fully applied over a long period unless the other parties to the transaction believed themselves also to be enjoying some substantial benefits. Even if the Germans do not exactly "deliver the goods," they must deliver some goods if Balkan trade is to continue. On the other hand, such benefits as arise from German trade should not be overstated. If it were true, as simple-minded analyses of German trade policy sometimes suggest, that other countries had a legitimate grievance because the Germans persisted in buying Balkan imports dear and selling their own exports cheap, it would scarcely be reasonable to expect any vigorous assistance from the Balkan countries themselves in cutting loose from a bondage which produced for them such agreeable results. It is important, therefore, to get as accurate a picture as possible of the consequences of German policy for the people of the Balkans; the prospects for countering German pressure, if such action is thought to be desirable, must depend, to a very large extent, on the feeling in these countries themselves as to the long-run significance of such benefits as they may temporarily enjoy.

In this connection the obvious first step is to examine the extent to which German trading connections with South-Eastern Europe would probably have developed irrespective of the idiosyncrasies of German policy at any given point of time. If we are disposed to be critical of German methods, and suspicious of German intentions, it is easy to interpret everything in a sinister light. But even from a tactical standpoint this may be an error, and though there is no doubt a temptation, both inside and outside Germany, to use explanations in terms of so-called "natural" factors as a rationalisation of the bald fact that for her own purposes Germany wants closer economic relations with the Balkans, it is certainly more scientific, and probably more prudent too, to examine these "natural" factors carefully and without prejudice. Even in a world where the exchange of goods was governed exclusively by considerations of comparative cost, the volume of trade between Germany and the countries which I am discussing would probably be large. Both geographical facts and the actual lay-out of productive resources, in relation to the economic development of the past, point in this direction. The changes of political boundaries, the abnormal economic conditions of the post-War period, especially in Germany itself, as well as the changes in conditions of production and demand which are constantly going on, make it impossible to use any so-called "normal" period in the past as a standard whereby we

may estimate the probable importance of German trade in the Balkans to-day, if "normal" conditions again prevailed. Any estimate, such as that which one Yugoslav gave me, that Germany "ought" to have about 25 per cent. of Yugoslav trade instead of 40 per cent., must be rather arbitrary, and is useful mainly as indicating more or less concretely the nature of the problem of distinguishing between the "natural" and the "artificial" expansion of German trade.

The sweeping German argument based upon the alleged existence of a natural *Grosswirtschaftsraum* extending from the North Sea to the Black Sea should however be received with a good deal of caution. With changes in transport conditions the importance of geographical proximity is not the same to-day as it was a century ago, and the study of large-scale maps may be a useful antidote to the view that the whole of Central and Eastern Europe is a "natural" area for German economic expansion. The geographical argument which is obviously very weighty in Hungary is wearing rather thin by the time one gets down to Greece or Turkey. Germany herself does not confine her trading activities to countries whose geographical connections with her are obviously favourable, and no one can reasonably reproach her statesmen on this account. Especially in the modern world, the trading connections of every country are much more widespread than would be suggested by some of the justifications put forward for the recognition of special German interests in the Balkans, and other countries which have world-wide commercial interests are perfectly entitled to insist that these interests, too, rest upon "natural" foundations.

While he allows due weight to the claims of legitimate German trade in the Balkans, an unbiased observer should also perhaps insist that the German efforts to divert production in the Balkans into channels likely to provide goods which the Germans wish to buy, is not necessarily something upon which we are entitled to fasten a sinister interpretation. Obviously the production of things which other people will wish to buy is a course which one might think would normally commend itself to prudent minds, and, it might be added, the world to-day would probably be a less disturbed place if greater care had been taken since the War to follow this sensible course. The intention which Dr. Funk announced on his return to Berlin from the Balkans last October to encourage the production in the Balkans of cotton and oil cake, specially adapted to German purposes, was therefore not the most alarming part of his programme. Nevertheless the countries

immediately concerned, while quite reasonably eager to increase their production of goods which the rest of the world in general wanted to buy, might well hesitate before tying themselves down to production of a type for which there was only one market in sight, a market moreover from which there was often difficulty in getting in return the imports which ranked highest in their schedule of preference, and under conditions of price and cost which in the future might offer little discouragement to Germany to seek her supplies elsewhere if a change in circumstances made it advantageous to do so.

For many purposes it is convenient to study the present condition of South-Eastern Europe as a whole, but it is also important not to suppose that the problem presents itself in each country in precisely the same form. The differences between the national economies affected are for some purposes more important than the similarities. The irritation engendered by the limitations of the German clearing system is, for example, greater in Greece, which requires extensive imports of food, than in countries which produce practically all their own food supplies. The significance of the Ottawa Agreement and of local agricultural protectionism in Great Britain and France, as a factor throwing other agricultural countries into the German arms, also inevitably varies in accordance with variations in the staple products of the different countries. There are, moreover, obvious variations in the intensity of the German desire to control her raw material supplies. Yugoslavia can and does insist, for example, that copper shall be paid for in cash, outside the clearing mechanism, and a country which can offer copper to Germany has at least one important bargaining counter which is not available where the largest export items are things like tobacco.

A cautious investigator must also insist upon the unusual difficulties in any semi-totalitarian State in getting an accurate and unbiased picture of the consequences of an economic policy for which the government itself must take a large share of the responsibility. In each of the countries which I visited, Yugoslavia, Greece, Bulgaria, Roumania and Hungary, there is a more or less totalitarian régime, ranging from the oppressive and probably unpopular government of Greece, to the milder régime of Hungary, where vestiges of liberalism still survive, and even a Social Democratic party is allowed to function, though its newspaper was suspended for a month the day before I left Budapest for publishing an article critical of dictatorships. Most of these governments display a considerable activity in propaganda

designed to show that they have inaugurated a new era of prosperity and orderly development, and it is scarcely to be expected that they would at the same time permit, much less encourage, critics to expose the dangers of a German trade policy which was so intimately bound up with their own programme. Dr. Einzig's book *Bloodless Invasion* has been widely read and appreciated in the Balkans, but it is significant that in one country where a translation had been prepared the translator was discouraged from proceeding to publication on the ground that while Einzig's analysis was substantially sound, it was not in the public interest that the real significance of German trade policy should be too faithfully portrayed for the ordinary reading public. Similarly, in another country, an article on Dr. Funk's proposals, to which reference will be made later, for large-scale long-period purchases at prices definitely fixed beforehand was also banned by the censor. And quite apart from official censorship, there is a natural reluctance to confess openly that one has been tricked, and some satisfaction is therefore felt when, as sometimes happens, it can be shown that the stories of Germany trickery are a little too highly coloured.

All these considerations render difficult the task of assessing the reactions in the Balkan countries and Hungary to German trade policy. There is, however, abundant evidence to show that it has provoked widespread discontent and apprehension, and that there would be a general feeling of relief if closer economic relationships could be developed with countries other than Germany. There has been a disposition in some quarters in Great Britain to argue that an extension of German economic influence in South-Eastern Europe would in general be in the interests of the South-Eastern European peoples, and that it would therefore be foolish for other Western countries to do anything to counter it. This, as one might expect, is the view officially promulgated by German representatives. Dr. Funk told the Yugoslavs early in October that Germany had always wished to see alongside her borders an economically strong Yugoslavia. The raw-material-producing countries of South-Eastern Europe, he said, formed with Germany a natural *Grosswirtschaftsraum.* And at the end of the year Dr. Brinkmann, the State Secretary of the Ministry of Economics, insisted that Germany had no imperialist designs, but was moved solely by a desire through energetic co-operation to improve the economic welfare of both Germany and South-Eastern Europe.[1] In any event, imperialist

[1] *Frankfurter Zeitung*, December 30th, 1938.

designs would scarcely be openly avowed, and the visitor to South-East Europe finds that there these German claims are somewhat sceptically received. It would, of course, be rash to affirm that a free expression of public opinion in the Balkans would reveal a general sentiment of opposition to German policy. Its immediate beneficiaries are the peasants who can dispose of their produce at nominal prices well above the world level. Many of them have no very clear idea of the general issues, political or otherwise, which are involved, and even if they were aware of these things, their immediate gains might well make them feel that the Germans were their friends. In most of these countries the Central Bank now bears the burden of financing any outstanding balances of blocked marks, the peasant producer gets his money at once, and as his income in most cases is much too small to make the precise character of the German imports, whereby later the Germans pay for his produce, a matter of any concern to him, he can in the short run, at least, ignore these complications, and leave other people to grapple with them.

There is considerable anxiety lest the pressure of distress should drive the peasant population to political and social radicalism, which would be distasteful to the government, and methods which appear to safeguard against this eventuality, even if only for a short period, are not easily rejected because their long-run consequences, both economic and political, may be disastrous. Moreover, as will be suggested later, it is probable that any genuine and radical solution of the economic problems of the Balkan countries demands just that modification of the traditional peasant mode of life and work which he is most resolutely determined to oppose, so that even if he did understand all that was involved, he might well welcome the German intervention as an apparent way of escape from the necessity of unpleasant adjustments to a rapidly changing world. In many quarters, however, official and unofficial, Balkan opinion is clearly much disturbed by the probable consequences, both immediate and remote, of German policy. There is appropriate gratitude for the relief afforded by German purchases at a time when world prices have been low, but the advantages to be gained from increasing sales in free currencies are also quite vividly realised, and there is for the moment little sign of eagerness to accept the far-reaching long-period proposals which it was apparently the purpose of Dr. Funk's journey in the Balkans last October to ventilate. Even officials, who were reluctant to admit

that German policy had so far imposed any disabilities upon their countries, and were careful to explain how the Germans had shown themselves ready to deal generously with some specific complaints, were much less confident about the future. The same official, for example, who said that local complaints of unfair German competition, particularly in the textile industry, had usually been satisfactorily remedied, summed up the general situation by declaring, "We have no complaints to make about German treatment in either the past or the present, but we have grave fears about the future"—or, to use the more picturesque phrase of an eminent person in another Balkan country, there was reason to fear that the German gifts would in the end turn out to be like the red apple which the witch gave to Snow White.

Despite the fact that the primacy of politics over economics appears to be one of the fundamental theses of Nazi philosophy, the existence of political designs is vigorously denied by the Germans themselves, who point in their turn to the efforts of the English and French as clear examples of economic policy directed towards political ends. "The expansion of German trade in South-Eastern Europe," argued the *Völkischer Beobachter* on October 12th, "has nothing whatever to do with political objectives but very much to do with economics," though it was noted in Belgrade that Dr. Funk, shortly after he had insisted on the innocence of German intentions, went on to say that economic policy could not be separated from general political policy.[1] But even those who are inclined to reject some of the criticisms of German trade policy in the Balkans as the invention of ingenious theorists abroad, who try to stir up trouble by putting misleading ideas into the heads of the innocent Balkan peoples, can scarcely seriously allege that the notion that German policy has a political objective is not a spontaneous growth in the Balkans, or requires any careful tending from outside to keep it alive. It is not only in London and in Paris that the opinion is expressed that in South-Eastern Europe Germany is seeking new "vassals" to be exploited.[2] The same opinion is frequently heard in Belgrade, Athens, Sofia, Bucharest and Budapest, in regard both to German policy as a whole, and to particular aspects of it. Naturally this opinion finds little public expression there, but even in official circles, where caution was the normal note, political interests were often suggested as the probable

[1] *The Times*, October 5th, 1938.
[2] *Völkischer Beobachter*, October 18th, 1938.

explanation of German action. The lively interest which one found in the Balkans in Mr. Hudson's House of Commons statement of November 30th, 1938, and the uneasy doubts about the correct interpretation of that statement and the extent to which it could be harmonised with the declarations which Mr. Hudson made to journalists the following day, were based upon something more than the mere desire to enjoy the material benefits of expanding trade. The political implications of German trade policy, it need scarcely be added, greatly increase the difficulties of Balkan statesmen faced with the responsibility of devising wise policies for their own country, and with a keen sense of the political risks which they would run if they ventured to thwart Germany.

It was natural that during his Balkan tour Dr. Funk should embrace the opportunity to point the moral of Munich for his Balkan hearers. In Belgrade on October 3rd he expressed his conviction that the world-historic events of the last few days would introduce a new economic development which would provide the best foundation for a still more successful, still closer economic co-operation between Germany and Yugoslavia. The fact that he left Berlin on September 18th before the Godesberg meeting suggested that his activities were not to be regarded as a direct consequence of Munich, but those who heard Herr Hitler's declaration to the Reichstag on January 30th, 1939, that he had as early as May 28th ordered preparation for military intervention against Czechoslovakia, had some difficulty in believing that the two things were quite unrelated in September. There was talk of including Athens, Bucharest and Budapest in his itinerary, but in the event his visit was confined to Yugoslavia, Turkey and Bulgaria.

On his return to Berlin, Dr. Funk expressed his satisfaction with the success of his efforts in laying, as he put it, the foundations of an " economic axis " extending from the North Sea to the Black Sea. It was, he said, an unalterable fact that no other economic territory could be to the same extent as Germany a purchaser of the products of South-Eastern Europe, and he contemplated further extensive development of trading relations between South-Eastern Europe and Germany. Similarly, in Great Britain his activities were hailed as registering not only a tremendous success for Germany, but also a radical transformation of the economic system of South-Eastern Europe. A detailed examination of what Dr. Funk actually achieved reduces these claims to more modest proportions. Dr. Funk's declara-

tions were no doubt highly significant as a symbol of German official thought, but his actual achievements on this occasion were not very substantial, and certainly fell below what he had himself announced as his objective. Evidently there was resistance to German pressure, and for the time being at least, real bargaining was still possible.

On August 21st, Dr. Funk, in a speech at Koenigsberg, had ventilated the idea of German bulk purchases of the exports of Hungary, Yugoslavia, Bulgaria, Roumania and Greece, part of which would then be resold to other countries which could supply Germany with the raw materials which could not be drawn from South-Eastern Europe. Such a formal regularisation of a practice which had been one of the most substantial grievances against German trade policy apparently evoked little enthusiasm in South-Eastern Europe itself, for it scarcely appeared at all in the public declarations which Dr. Funk made while he was travelling. In Belgrade, where, it was said, a wireless talk aroused so much apprehension about the far-reaching character of the German intentions that it was thought prudent to tone it down for newspaper publication, Dr. Funk made the suggestion of long-period agreements for wholesale purchases over a period of years at guaranteed and stable prices. Germany, he maintained, had taken measures which could assure price stability as no other economy was able to do, and agreements of this kind therefore afforded a protection against the fluctuations of the trade cycle. He also hinted at projects for a new network of modernised roads in Yugoslavia, and the exploitation of hitherto undeveloped mineral resources. As one observer who had close contacts with Dr. Funk remarked, however, his speeches were "all poetry," and though it was announced that the new trade agreement which was to follow his visit was to be based on entirely new principles, it turned out, when it was finally drawn up, to be on very much the same lines, except on one point, as its predecessors. It had already been found convenient to establish a mixed Yugoslav–German standing committee to administer the trade and clearing agreement, and this committee met every six months to fill in the figures in the blank spaces in the agreement. The ordinary meeting, which would have been held in Cologne early in October, had been postponed on account of the general political crisis, and opportunity was taken of Dr. Funk's visit to summon the German members to Belgrade. In Berlin it was said that it was anticipated that these negotiations would give Germany something approaching a monopoly of

Yugoslav imports and exports, but any such anticipations were disappointed.

As a result of the annexation of the Sudeten areas, the relative importance of Germany in Yugoslav imports and exports increased, and it would be a mistake to suppose that the significance of this increase was merely statistical. But this extension of German influence was a fact inherent in the Munich settlement itself, and not a further concession imposed in consequence of Munich. Otherwise the volume of trade and the terms under which it was exchanged in the new agreement were much the same as before; Dr. Funk's new principles were shelved for future consideration, and the desire which had been expressed during the negotiations for a three- or six-year agreement was not gratified. Germany undertook to buy from the next season's crop 100,000 tons of wheat and an equivalent quantity of maize, and a third 100,000 tons of either wheat or maize, at the discretion of the Yugoslav authorities, who for this season chose wheat. The German price included a preference of 3 RM. per 100 kilos for wheat, and 1·44 RM. for maize, originally designed to cover the difference between the cost of production and the world price. Germany was under an obligation to purchase from Yugoslavia quantities of other plant and animal products, timber and mining raw materials, but there was no corresponding obligation upon Yugoslavia to sell, unless she thought it advantageous to do so.

On one point only did the Yugoslavs yield to the German demands. Hitherto the value of the dinar in terms of Reichsmarks, unlike that of other Balkan currencies, had been allowed to fluctuate in accordance with variations in the supply of and demand for blocked marks. This left a certain freedom of manœuvre for the Yugoslav currency authorities, who were able within certain limits to intervene to check unwanted imports and at the same time to relieve themselves of part of the burden of financing any accumulated balances of blocked marks. On the other hand, the seasonal nature of Yugoslav export trade meant that exchange fluctuations appeared to damage the Yugoslav exporter, who had to sell his marks when their value was relatively low, and the advantages to be gained from the avoidance of such risks were used to induce the Yugoslavs to stabilise the mark exchange rate, the duty being imposed upon the National Bank to buy or sell marks so that the exchange rate would be kept within the limits of 14·30 and 14·70 dinars to the RM. Even this concession turned out to be impractic-

able, and the value of the mark has now fallen to 13·80 dinars.[1]

Judged by the rather crude statistical tests which are customary in this connection, Bulgaria is the south-eastern country whose commercial connections with Germany are already so close that control might be regarded as complete. Indeed, I was told in Sofia that Dr. Funk's visit was not specially significant just for that reason. And in Bulgaria more than elsewhere it was insisted that even those who for political or intellectual reasons disliked German influence had no desire to diminish the absolute volume of their trade with Germany, though it was desired to expand trade in other directions, so as to increase the supply of free foreign exchange, and provide the basis for at least a measure of economic independence. But even in Bulgaria German economic domination is not, in fact, quite complete, and the desire to escape from its risks has not been altogether stifled. It was in connection with Bulgaria that the greatest prominence was given in the foreign press to Dr. Funk's idea of long-term contracts with guaranteed prices. He had suggested, according to the reports, that the Reich should purchase for a twelve-year period the whole of Bulgaria's exports, including tobacco, cereals, fruit and pig products, providing in return machinery and manufactured goods as well as expert advisers, engineers and skilled mechanics, whose salaries and wages would also be determined beforehand for the whole period. Actually it appears doubtful whether any such proposal was ever formally put forward, and it was possible to find in Sofia eminent officials who denied that they had ever heard of it. In any event, Dr. Funk's interest in long-term contracts was not confined to Bulgaria. During his Balkan journey he sent up a number of kites, and no doubt observed with interest the kind of reception which was given to his ingenious fancies. To the Bulgarians apparently the long-term contract idea was not attractive, and it therefore went no further than the kite-flying stage. This interpretation appears to be confirmed by the report of the results of the negotiations opened in Sofia with a new set of German experts in the second week of January.

It is interesting to speculate upon the reasons lying behind the almost unanimous exaggeration in the foreign Press of the

[1] Limitations of time did not permit me to visit Turkey, but it may be observed that the German credit of 150 million RM. for industrial and military purposes, and for public works, was apparently not a substantially new factor in the situation, but merely a consolidation and reorganisation of credit arrangements which were already available.

immediate significance of Dr. Funk's visit to the Balkans. Those who were willing, or at least prepared, to let Germany have her way in South-Eastern Europe were no doubt not reluctant to have their preconceived notions of future possibilities confirmed by the announcement of a resounding German success. One celebrated newspaper, for example, announced that Dr. Funk had " made clear " that German policy would increase the productive power of countries rich in raw materials, and raise their standards of living.[1] He had, in fact, merely said that these admirable consequences would follow, and even in Great Britain experience has shown that a statement of official opinion is not invariably the same thing as a conclusive demonstration. But, on the other hand, commentators who wished for vigorous efforts to counter German policy were sometimes even less cautious in admitting Dr. Funk's claims of far-reaching success, though less ready to admit the reality of the economic gains promised to the Balkan States; and it may be doubted whether this was quite the best way of rousing public opinion for action of the kind which they believed to be desirable.

Nevertheless it would be a grave error to discount too severely the significance of the discussions which Dr. Funk had with Balkan statesmen last October. The kites which he had flown can be used more effectively on a later occasion, and even if Dr. Funk were himself written off as a journalist, a mere instrument of German policy, and not its originator or instigator, his " poetry " revealed clearly enough the trends which the Nazi régime wished to encourage, and for the realisation of which it would no doubt be prepared to adopt a firmer attitude at a more convenient time. The Balkan States felt that they were under no obligation to accept immediately every one of the German offers, but if they were left to themselves, a time might soon come when no other alternative was effectively open to them.

What, in fact, are the main disabilities which German policy imposes upon the Balkan States? The difficulties inherent in the clearing system are well known. So long as the sale of Balkan exports is not offset by corresponding purchases of German goods, the accumulation of blocked marks which arises from the sale in Germany of wheat and oil and tobacco and the rest represents in effect a forced loan to Germany from her own poor customers, a curious reversal of the normal debtor–creditor relationship in which the wealthier country is usually the creditor. To liquidate these clearing balances it is necessary to buy such

[1] *The Times*, October 8th, 1938.

goods as Germany is able, and, what is not always the same thing, willing to sell in return. It is perhaps a little unfortunate that so much attention has been paid in Great Britain to the picturesque episodes of unwanted aspirins and harmonicas which it is alleged have been imported to wipe off the otherwise worthless balances of blocked marks. These episodes are not entirely without foundation, but it is inconceivable that trade could go on with even the poorest and most helpless country for a period of years if all the goods which were offered in exchange were things which her people definitely did not want, and a correct appreciation of the significance of German policy is likely to be hindered if too much emphasis is placed on mere temporary eccentricities.

Nevertheless it would be a mistake if, in the effort to do justice to Germany on this point, we were to swing over to the opposite extreme, and deny the reality of the problem. If, by some chance, it happened that the German imports, which the clearing arrangements compel the Balkan countries to accept, were exactly the things which the Balkan peoples, if left to their own free choice, would prefer to buy, the arrangement would work quite smoothly. Such a chance is not, indeed, altogether improbable, provided that the fraction of income with regard to which the freedom of choice for the consumer is limited is sufficiently small. A man with literary tastes would not be seriously embarrassed if he were compelled to accept each month 5*s.* of his income in the shape of a book-token. But even the most ardent *littérateur* would object if he were offered book-tokens of an aggregate value exceeding what he would normally expect to spend at his bookseller's, and these objections are merely modified and not destroyed when, as in the case of the Balkans, money income, tied up in the shape of marks, can be used for the purchase not of one thing only, but of several, but still a limited number of products. The Balkan peoples seldom have to buy things which they definitely do not want, but they sometimes have to buy things which rank low in their normal schedule of valuation instead of things which rank high, because the Germans are able and willing to sell them the former, and unable or unwilling to sell them the latter. The nature of the clearing system itself makes some distortion of the normal course of demand almost inevitable. The practical importance of this point, it has already been suggested, varies in accordance with variations in the economic structure of the different countries concerned. In Bulgaria the distortion of

demand is admitted, but its effects are not very serious, because the kinds of imports which the Bulgarians would in any event wish to buy are more or less also the goods which the Germans are able to offer them. In Greece, on the other hand, the distortion is much more damaging. Greece is normally a food-importing country, but Germany has no food to offer. Greece in consequence has too little sugar and other fundamental food-stuffs and too many radio sets and electrical clocks. Hungary and Roumania have similar difficulty in getting the raw material imports believed to be necessary for industrialisation.

The distortion of demand may also show its effects in the quality of the goods supplied. Here again it would be ridiculous to suggest that the Germans normally press rubbish upon their unfortunate Balkan customers. Much, and perhaps most of what they sell is of excellent quality, even if the Balkan purchaser would rather have something else. But complaints about quality are sufficiently numerous and widespread to suggest that the Germans do not always take care to avoid dumping third-rate stuff in markets where it is known that the buyers' effective choice is severely limited. In Yugoslavia I was told that the quality of German machinery is sometimes bad, and that manufacturers would accordingly prefer to buy elsewhere, while similar complaints were made in other countries. The price-factor is also important. It is sometimes argued that the Balkan countries get no real advantage from their German trade agreements because the high prices charged for German goods offset the nominally high prices paid for wheat or tobacco or oil. On the other hand, British exporters complain of subsidised under-cutting, and say that it is often useless to prepare a tender for a Balkan order because the Germans will always go one better. These two criticisms are not necessarily contradictory. Where a Balkan country is able to allocate free foreign exchange for the purchase of goods in which German producers are also interested, there is a possibility of competition, the machinery of subsidisation will be brought into operation, and German prices will be low. But for goods which are not on the list of permissible imports from free exchange countries, competition is ruled out, and there is nothing to prevent the Germans from recovering part of the losses incurred on the first transactions by charging high prices, which they accordingly do.

The other side of the difficulty of selecting German goods which are appropriate for the Balkan market is the financing of the accumulations of unused blocked Reichsmarks. This

problem is probably not so acute as it was in the early stages of the German trade campaign, but its essential character has not changed. The balances are not so difficult to handle as they were, partly because, taught by experience, the Balkan countries now begin to cut down their exports to Germany when they see the balance rising to a dangerous height. But this is clearly a method of treating symptoms only, and does not touch the real cause of the disease. In Yugoslavia, at the end of November last, the outstanding balance was as high as RM. 23·9 millions, and though it was estimated that about one-third of this was covered by outstanding government orders for machinery, which had not yet been paid for, for Zenica, the new government iron works, the total was a substantial one. The balances have often been liquidated by purchases of armament material, and in Greece and Hungary last year this device had been effective in restoring at least a temporary equilibrium. But, as was insisted particularly in Hungary, this, too, failed to go to the root of the matter. Armament purchases on a similar scale could not be repeated year after year, and it was frankly admitted that for the coming season there was no obvious solution of the problem at hand. The supply of armaments obviously has its political aspects—Roumania has so far refrained from using this method to liquidate her mark balances—and the question of quality is also interesting. In this connection, more even than elsewhere, one would not expect officials to volunteer much information about any inferior goods supplied to their governments, but there were many hints to this effect, and in Athens there was talk of the resale of unsatisfactory stuff in Spain and Palestine.

A more subtle, but perhaps a more important, consequence of German policy is its effect upon the internal price level. The offer of high prices is at first sight attractive, but even if the high prices are at first confined to only a few important commodities, they soon have a more generalised effect in creating an artificial general level of prices. High prices for wheat, for example, push up the costs of production of cattle, poultry and eggs, increase the difficulties of export to other countries, and thereby help to create a situation in which the German market tends to become not merely the most important, but actually the only available outlet. And as this situation is approached, the bargaining power of the Balkan countries steadily diminishes, and with a decline of bargaining power the prospect of enjoying even temporary benefits from a German trade agreement fades

away, and the temporary benefits already enjoyed are destroyed in part when the Balkan producer, who at first thinks only of the prices of his own products, later finds other prices rising too, and perhaps even more rapidly.

The importance of German influence upon monetary policy is most clearly to be observed in negotiations over the rates at which local currencies are to be exchanged either for marks or for free currencies. The determination of the mark rate of exchange has now indeed become the central point around which negotiations with Germany turn, and when, as often happens, the Germans are able to force upon their partners the rate which they think appropriate, they have under their control an instrument whose operations are immediately relevant to all the other problems and grievances which have been more widely discussed abroad. The Germans can and do insist upon a consistent over-valuation of the Reichsmark in terms of local currencies, and it is this fact which is a partial explanation of the apparent paradox of the German willingness to continue the payment of prices so far above the world level. In consequence of this over-valuation, prices which appear high to those who receive them in lei, or drachmae or levas, are not necessarily high in terms of German currency, and in some cases, indeed, are lower than the Germans would have to pay for similar goods in free-exchange countries. There must, on the other hand, be a corresponding discouragement, arising from the over-valuation of the mark, to German exports to Balkan countries, and this is a partial explanation of the chronic difficulty of blocked mark balances. The subject is too complicated and technical for any attempt at exhaustive analysis to be made now, but it is in connection with the determination of the rate of exchange that German influence appears to be exerted with the greatest success from the standpoint of Germany, and with the most important consequences for the Balkan economies. Already it is scarcely an exaggeration to say that the Bulgarian currency system is under German control, and elsewhere, too—in Hungary, for example—changes in exchange policy which in themselves are highly desirable are blocked because of German opposition. The consequences of the over-valuation of the mark are clearly understood in Hungary, but for political reasons it is impossible to revise this exchange rate. The importance attached to the determination of the mark rate of exchange for the Yugoslav dinar has already been mentioned, and in Roumania, too, this question was among the main issues in the latest Germano-

Roumanian trade negotiations. The Germans wanted to raise the value of the mark from 38 to 55 lei, but eventually a compromise was agreed upon at 41, which, it has been suggested, was perhaps a value not much lower than the Germans had expected to be able to enforce.

The over-valuation of the mark in terms of Balkan currencies also has a bearing upon German re-sales of goods purchased in Balkan countries, a practice which helps to keep world prices low, so that sales in free currency markets are scarcely a real alternative for Balkan exporters. The re-sale to other countries of goods by middlemen who have perhaps made their purchases with that very object in view is not, of course, a practice which in itself is either unusual or reprehensible. But in this, as in other cases, the German trading machinery may convert an activity which in itself is normal and harmless into something quite different which, apart from its name, has little, if anything, in common with its normal counterpart. To some extent the German gains arise not from the performance of any of the ordinary services of an entrepot trader, but from the fact that while the prices obtained for the Balkan exports which are re-sold elsewhere would be unremunerative if converted directly into Balkan currencies, they are nevertheless, on account of the Balkan over-valuation of the mark, lower when converted into marks than the Germans have themselves paid in the first instance. Much the greater part of the goods which Germany imports from the Balkans are of course used or stored in Germany, and not re-sold, but Dr. Funk's speech at Koenigsberg last August, to which reference has already been made, suggested that he had definitely in mind the development of a new type of triangular or multi-angular trade in which ultimately the Balkan countries might lose all contacts with free markets.

In Yugoslavia it was strongly represented to me that if I had any interest in the maintenance of a (relatively) free Europe, it was my bounden duty to bring as much pressure as I could to bear upon my wife to induce her to purchase a Yugoslav turkey for Christmas. This at the time I was disposed to do, for though I am privately of the opinion that the turkey is a vastly overrated bird, one must be prepared to concede a little where freedom is at stake. But as I proceeded on my journey the situation became vastly more complicated, for I had, I found, a similar duty to purchase a turkey from Bulgaria, and then a third from Hungary. The embarrassments of a small household faced with the responsibility of consuming three turkeys, for no one of

which it had any very lively desire, may be taken as a symbol of one of the fundamental difficulties which complicate the economic problems of the Balkan countries. Tobacco illustrates, upon a larger scale, the same problem. In Greece nearly every conversation turned sooner or later, and usually sooner rather than later, to tobacco, and it was strongly and repeatedly represented that if only tobacco suppliers in Great Britain would blend Greek tobacco with their products to the extent of 2 per cent. the Greek problem would be solved. But it has since been announced that Turkey would like a blend of 3 per cent. for a similar purpose, and Bulgaria would no doubt like a still larger fraction. In general it was said that if only Great Britain could buy " a little more " of the exports of this country or that, its position would be tremendously eased, and hopes of maintaining independence would revive. Clearly, however, when five or six " little mores " are added together, the total for some commodities is quite substantial, and the hope that general equilibrium can be re-established by mere transfers of demand such as the purchase of a " little more " from each of the Balkan countries would necessitate begins to fade. In this connection at least it is necessary to view the problem as affecting the whole of a large area, and not only in relation to one country at a time. This point is not raised here with any desire to discourage efforts to allow the Balkan countries a greater measure of freedom. It is certainly well worth while to investigate the possibilities of purchasing a " little more," especially as in some cases the objection that it would involve nothing but a transfer of trade is probably not valid. And the importance of even slight increases in the sale of Balkan products in free markets may be much greater, both for those countries and for Europe as a whole, than is suggested by an examination of the money values involved, just as it appears to be misleading to suggest, as is often done, that the importance of Balkan markets for Great Britain is small, because the total turnover of trade at present does not amount to more than a few millions. But at the same time it should be understood that Balkan dependence upon Germany is in large measure due to insistence upon offering to the world outside large quantities of goods, for which, in view of the general conditions of world supply and demand, there is at the present time no very lively demand. The goods in question can no doubt be sold at a price, but the unremunerative nature of the price shows that while other people are not positively unwilling to purchase, their eagerness to do so is not very great. For

reasons which from her own point of view are no doubt adequate, Germany is for the time being prepared to buy these surpluses at prices which to Balkan producers appear to be well above the world level, but, in return, the Balkan countries find themselves confronted with other serious trading and financial difficulties; there is a grave risk of loss of freedom in determining the future direction of their economic development, and increasing difficulty in keeping clear from German political control. The task of adjusting production in accordance with changes in the efficiency of production in other countries or with changes in consumers' demand is always difficult, and it becomes especially difficult when traditional outputs are closely linked up with a mode of life and a social outlook which have deep roots in the minds of naturally conservative people. It would moreover be quite unfair to suggest that this problem has not already been faced in at least some of the Balkan countries. Already vigorous, and to a considerable extent successful, efforts have been made to vary their production so that they will be able with more confidence to offer their exports in free markets. But it seems clear that no long-term programme of economic reconstruction for the Balkan countries can be ultimately successful unless the process of adaptation is carried a good deal farther than it has so far gone. It is natural to say that devotion to peasant modes of life is so intense, and that this manner of life is in itself so valuable from the point of view of social stability, that its maintenance must be accepted as a datum which is not to be questioned. One is frequently told in Yugoslavia that agriculture there is not a mere business, but a way of life. The peasant would regard the sale of his land as something almost indecent, scarcely to be contemplated in even the gravest emergency, and with some variations a similar point of view is to be found in other Balkan countries, and in Hungary. But there is some danger that those who accept this point of view without qualification may in effect be throwing the Balkan countries into the German arms. Nor, indeed, can there be any real confidence that the Germans will in the long run be prepared to preserve the social structure whose maintenance is thought to be so desirable. For it requires no fantastic flight of the imagination to suppose that as time goes on, the Germans, appreciating the advantages which would accrue to themselves if the level of efficiency in Balkan agriculture were raised, may insist upon changes in the methods of production such as would necessitate precisely those changes in social structure the suggestion of which at present arouses so much hostility.

Whatever may be the correct view of this long-range problem, the simple and elementary point requires constant emphasis that, so long as one is contemplating action in the immediate future, the essential question upon which attention must be concentrated is the question of Balkan exports. There has been a good deal of criticism, both in Great Britain and in the Balkans too, of the devotion of British merchants and manufacturers to old-fashioned methods, of their failure to send out representatives who have taken the trouble to learn the local language, of their refusal to quote in terms of the metric system, and of their ingrained faith that, instead of adapting their goods to the local market, the local market should adapt its requirements to what the British trader thinks it proper to offer. I am not sufficiently expert to offer any confident opinion about these criticisms, but even if one was prepared to agree that there was much room for improvement in the traditional methods of British export trade, it would still be important to insist that in the last resort these questions are irrelevant to the main issue. If British trade with the Balkans languishes, the fundamental cause is the fact that, for one reason or another, we do not buy an adequate quantity of Balkan exports. Even if British exporters all suddenly became incredibly efficient, the net effect would be small unless at the same time there were a marked increase in our purchases of Balkan goods. Before the War British purchases of Greek tobacco amounted in some years to £9 millions. Last year the total was about £20,000, and most of this was in connection with a barter transaction to facilitate the importation of textile machinery. In face of a change like this, the utmost ingenuity or the most effective salesmanship on the part of British exporters can by itself do very little. The starting-point in any useful discussion of the freeing of the Balkans from German domination must be the increased sale of Balkan goods in other markets.

In this connection it is important to attribute its proper weight, but no more than its proper weight, to the influence of the Ottawa Agreement and internal agricultural protectionism in Great Britain, as well as to the corresponding imperial and home policies of France. It would be an undue simplification of the picture to suggest that the exclusiveness of Ottawa inevitably drives the Balkan countries into the German orbit, with all the political consequences which such a fate means both for them and for us, but in addition to any other criticisms which may be levelled against Ottawa, we are also entitled to point to it as one significant factor in the situation of South-Eastern

Europe. Its significance naturally varies according to the country and the commodity with which we happen to be dealing. Some Balkan products would probably in any event have only a small sale in British markets. Particularly in the case of wheat the divergence between the world price and the home price which German intervention helps to pay is so great that imperial preferences, the significance of which has in any case been diminished, if not destroyed, by the Anglo-American trade agreement, seem almost irrelevant. But for many commodities imperial preferences do undoubtedly raise barriers which more or less effectively check the entry of Balkan goods into free markets. The lowering of these barriers would impose upon the countries directly affected the necessity for inconvenient adjustments of precisely the same kind as those which it has been suggested that it is urgent for the Balkan countries to push forward. There is no reason why the burden of such adjustments should be concentrated upon the countries to which at present Great Britain offers preferences, but there is no reason either why it should be concentrated exclusively upon the Balkans. It is at least desirable to insist that the almost world-wide reluctance to face up to this problem carries with it grave political consequences of a kind never suspected by those who look about for easy methods for evading the necessity for awkward change.

This is not the place, even if there were now the time, to enter further upon the thorny and difficult subject of practical policy. It may be sufficient to recapitulate my conviction that the view that the German trade drive in South-East Europe may safely be viewed with complacence as offering no serious threat to the legitimate trade interests of other countries, and in the long run in the best interests of the Balkan peoples themselves, is not confirmed by any objective analysis of the situation to-day. It is important, here as everywhere, not to over-state the case against German trade methods, and some critics have not always been sufficiently careful in safeguarding themselves against this error. But many citizens of these countries, who it may be presumed are in a good position to judge for themselves, are certainly doubtful about the permanence of the economic benefits for themselves, and more than suspicious of the political implications of German trade policy. Their capacity to protect themselves by their own efforts is clearly limited, though they should not be allowed to forget that rational policy may demand some changes on their own part, the necessity for which some of them are reluctant to admit. In the economic,

as in other spheres, it is, however, true to-day that the Balkans can no longer be reproached as being a problem for Western Europe. It is rather Western Europe which is a problem for the Balkans.

Summary of Discussion.

MR. BARNARD ELLINGER said that from the purely economic point of view he thought that the effects of the German trade drive in South-Eastern Europe were greatly exaggerated. Since 1929 she had not increased her export trade so as to recover to the same extent as the rest of the world. The last year had been disastrous for the export trade of Great Britain, but still more disastrous for the export trade of Germany. The population of the Reich was about 50 per cent. greater than that of the United Kingdom, while her export trade was about 10 per cent. less, so that Germany must continue to expand her export trade. Whether that increase would be less necessary if she spent less money on imports for the purpose of armaments was a matter of uncertainty. In any case, Germany would still be a great industrial country desiring to take her place in the export trade of the world.

The methods she employed in South-Eastern Europe were due, very largely, to the fact that she had not devalued her currency. Therefore the official rate of the mark had been too dear for export, and she had adopted all kinds of subterfuges, differential rates of exchange, subsidies, etc., in order to export. Had she devalued her currency to the same extent as the British had done in 1931, she would have given to her exporters, for a certain time at least, a subsidy, just as the British devaluation had given a subsidy to British exporters, at the expense—these things were not miracles—of the importers and users of imported goods. Germany could not adopt this method because she had no gold and no credit in the world, and was not likely to receive either under present circumstances. So if Germany had to export somewhere, was there anywhere where it would be better for her to export, from the British point of view, than to South-Eastern Europe, which took so little of British trade already? Until the end of 1937 or 1938 German trade in these countries had not been at the expense of Great Britain, but at the expense of Austria, which was now included in the Reich, Czechoslovakia, of which they now possessed Sudetenland, and Italy. Signor Gayda, whose newspaper was the voice of the Italian Government, had declared that, with regard to Yugoslavia, Italy was Germany's chief competitor. He had explained how Germany, through her system of clearing agreements, had forced Yugoslavia to buy most of her goods in Germany, declaring that Italy must make every effort to increase her trade with Yugoslavia. Therefore it would be a good thing for Great Britain to allow Italy to pull the chestnuts out of the fire, as she seemed disposed to do. After all, as the lecturer had pointed out, if Great Britain desired more of the export trade of the Balkan countries, she must increase her own imports

from those countries, and this would be difficult in view of the Ottawa Agreements and her own agricultural policy. But supposing this were possible, did British exporters really desire to export to the Balkans on credit because Germany gave large credits in these markets? Bulgaria, Roumania, Hungary, Yugoslavia and Greece had never been very favourite markets for British exporters, who usually considered the safety of their money which they had ultimately to receive.

Some years ago a report had been received from Morocco to say that the Moroccan market was swamped with German travellers, hardly an English traveller was to be seen. Three years later the only German travellers to be seen there were those who had come to collect bad debts. It was necessary to watch the growth of German export trade and to observe her methods, but Great Britain should not be in a hurry to imitate those methods or to take measures to oppose those methods until she were really hit herself, because whatever measures she took would cost her a great deal.

MRS. J. B. MILLER asked whether it would not be useful to consider giving credits to a country such as Roumania. She had visited the country recently, and had found in official circles a strong desire for credits from England. Even if Great Britain could not consume more Roumanian goods directly, the grant of credits would help indirectly to finance Roumanian export trade with countries other than Germany. Transport development, for example, would be an obvious field for the use of English credit; credits for the building of roads and railways would help Roumania's export trade with Poland, and also with Norway and Sweden. Poland would be an extremely good market for Roumanian fruit and wine, but it was too far to send them by sea, and Roumanian railway transport was inadequate and too expensive.

It had also been suggested that English capital might be used for setting up bicycle assembly plants in Roumania, the parts being supplied from the United Kingdom. Credits for the improvement of roads and transport would work in with a scheme for increasing the use of bicycles.

MR. M. ZVEGINTZOV said that he would like to give the German point of view, although that did not mean that he necessarily agreed with it. National-Socialist economics were always political; this was partly because Herr Hitler saw economic points only through their political implications. On the other hand, he had excellent economists and financial experts working for him: there were, therefore, two aspects to the whole question. The central idea was Greater Germany in the centre with a circle of economically weaker vassal States on the periphery. These smaller States need not necessarily be contiguous: for instance some of the South American States could be included in the scheme. The Germans had taken the cue from those who had talked so much about a "Sterling Area" and had, with their

usual logic and thoroughness, gone a great deal further in working towards a "Mark Area." The idea of a Mark Area was not only that there should be an area having the same currency, but also a system of very closely related commercial agreements. In other words, the rigid bi-lateral trade agreements with, say, South-Eastern Europe and Scandinavia were only a means to an end. The real aim was to build up a closely co-ordinated complementary economic structure. So far, Germany had not succeeded, for two reasons: one was the suspicion of her long-term aims, which was felt by these smaller and economically weaker States; and the other was that the rigid bi-lateral agreements were so efficient that they allowed of no compromise. Although the dream of a "Mark Area" had existed for some time, yet it had, so far, been found impossible to marry a short-term positive balance in, say, a Scandinavian country with a negative one in a Danubian area. All the different arrangements worked very efficiently within their own spheres, but no method had as yet been found to link them together. This was important, because although Germany had means for long-term investment in these countries, she had not the possibility of acquiring short trade credits which would permit transfers of trade balances from one area to another. The only way to do this was by means of a free currency. A blocked currency made long-term investment possible, but it could not facilitate the liquidation of trade balances. This was where the Sterling Area and a free currency had the advantage. It was no use trying to compete in South-Eastern Europe with the Germans by using their own methods, because they had inherent advantages there over so-called "normal" trading countries. The danger to British trade lay, rather, in the complementary area to South-Eastern Europe—Scandinavia—and in certain British Empire areas which might become increasingly drawn into the German system. He believed that the German efforts would soon be directed towards bringing the Scandinavian countries more into the German orbit at the expense of British trade in that area, so that the surplus exports from South-Eastern Europe could be switched over to those areas; thus enabling Germany to obtain a supply of that free currency required for purchasing essential raw materials in the world markets which she cannot obtain from the areas immediately under her control.

It was important for Great Britain to turn her attention to these aspects of the matter and to facilitate trade directly between South-Eastern Europe and Poland with the Scandinavian countries (as had already been suggested) because the latter States were still free markets. Great Britain—by her free currency—held the key to this aspect of the situation and should be able by this means to move Germany into a more co-operative attitude towards freer trade. It would be wise, therefore, not to pay too much attention to competing with Germany in South-Eastern Europe, but to see that our position in Scandinavia was not impaired. Had the lecturer noticed any desire in South-Eastern Europe for help of this indirect type, rather

than by more direct trade, because it did seem that while Great Britain could do very little directly, indirectly she could accomplish much? Transport was a very important matter, and German penetration through transport methods to the Black Sea and to the exclusion of Poland should be watched. In this connection the canals now being made to link the North Sea with the Balkans were an indication as to which area would be the next objective.

DR. M. J. ELSAS said that he agreed very substantially with the views of the lecturer. Had he heard why Italy's trade to the Balkans had diminished so very much? Italy had done a great deal of trade with Yugoslavia, and it was unlikely that she would want to lose it. Germany's aim was doubtless to bring the Balkan countries into her orbit, but this must necessitate, for a continuation and intensification of her trade, a certain amount of confidence on the part of South-Eastern Europe itself. Would this be possible? Would not Germany find that on account of her difficulties with obtaining credits, her rearmament and general policy, it would be impossible to carry her present drive in the Balkans to its ultimate conclusion?

MISS CLARE HOLLINGSWORTH said that she had recently seen a warehouse in Zagreb full of bales of cloth marked Manchester and London on the edges of the material. It appeared that this cloth had come from Germany, but as it was illegal to say "Made in England," the Germans had woven Manchester or London into the seam of the material. This subterfuge was because the entire bourgeois population desired their spring costumes to be made of English cloth. Why could not the manufacturers of Leeds and Leicester send their product to the people of Yugoslavia who were so obviously anxious to buy it?

QUESTION: Was not the economic trouble due to the uneven distribution of the human race over the earth's surface?

DR. EINZIG said that he had particularly admired the lecturer's detachment and was willing, himself, to plead guilty to the indictment of having presented only one side of the case. This was because in order to arouse interest in a matter it was necessary to feature only one side of it. Now, however, interest had been aroused, and the time had come for more detached observation.

It should be remembered when considering the problem of British assistance to South-Eastern Europe that what mattered was not quantities, but gestures and principles. It was quite true that Great Britain could not compete with Germany in the sense of reducing her participation in Yugoslavian trade from 50 per cent. to, say, 30 per cent. and increasing British participation from 2½ to, say, 22½ per cent. A small alteration might be made, but no change in the fundamental situation, and the same was true of the other countries in this area. On the other hand, any effort by Great Britain to increase her trade

in the Balkans would be immensely appreciated quite out of proportion with the actual result. For instance, in October last the Food Defence Department in Great Britain had bought two hundred thousand tons of Roumanian wheat. Proportionately this was a very small quantity, and yet he was convinced that this had made all the difference between Roumania entering the German orbit and resisting German penetration. For this reason a conflict with the Ottawa Agreement could not arise out of increased British trade in South-Eastern Europe, because the quantities necessary to be imported into Great Britain were relatively negligible so far as British trade was concerned. In any case there was the necessity for building up commodity reserves for war purposes, and if only part of these orders were diverted to South-Eastern Europe, nothing would be lost, and such a gesture might make all the difference to these countries. They were simply looking towards Great Britain to see whether she would be willing to co-operate with them in any way, or whether the Munich Agreement meant that she had washed her hands of South-Eastern Europe. If they felt that some interest in their affairs was felt in Great Britain, they would continue to resist the German penetration. Otherwise they would come to the conclusion that the best thing to do would be to come to terms with Germany.

Mr. W. V. Emanuel said that some of the countries in the far eastern corner of South-Eastern Europe, such as Turkey, for example, received a large number of German experts, who were a form of German export. These undeveloped countries had a great need of experts for the building of roads and railways and other engineering work, and the result of this influx of German technicians had been that the peasants had become accustomed to the Germans. A reason for this was that the German experts were usually a good deal cheaper than British experts. He had heard, however, that lately Polish experts had been willing to go to these countries for even less money. Recently there had been a great influx of German governesses to Greece and this was important, because before the War nearly every educated Greek had had an English governess. Happily the new Turkey had lately received quite a number of British experts in connection with her new construction work in the Mediterranean, the Black Sea, and the Sea of Marmora. Would it be possible to facilitate the export of more British experts abroad?

Professor Fisher said that it should be realised that the German trade drive in South-Eastern Europe was not essentially recent history. Although somewhat exaggerated importance had been given to Dr. Funk's visits in October 1938 the present German policy dated from at least 1934, the first trade agreement with Yugoslavia being made in the May of that year. In 1936 Dr. Schacht had done rather more extensively what Dr. Funk had done in 1938. It was fairly true to say that at present German economic relations with this part of Europe

were no different from what they had been before Munich, although the feeling was certainly different.

Concerning a credit to Roumania or to any other country, each case should be treated on its own merits. Quite possibly British traders would do better, even from their own rather limited point of view, to take more risks than they had been disposed to do in the past, but on the whole it was much more important to face the problem of an extension of markets for the Balkans, for their products, than to be concerned with giving credits to the Balkan countries. If the markets for those countries were extended, then the question of credits being given to them would to some extent automatically solve itself. As to why British manufacturers did not trade with Yugoslavia, in some countries, certainly in South-Eastern Europe, British exporters did want an assurance of repayment of a kind which apparently it was sometimes difficult to obtain. The more fundamental reason was that the people of Yugoslavia could not get a Central Bank permit to import British goods, and the reason for this was that there was not sufficient sterling for the purpose, and this, in turn, was because Great Britain had not bought enough Yugoslav goods, which again brought the matter back to what was the most important point, at least from a short-term view.

It was true that although such things as the British purchase of Roumanian wheat were too small to make much difference to a long-term policy, they did count in a short-term policy, and satisfaction was felt by the Balkan countries at having some indication of British interest. They did feel now that rather an unfavourable wind was blowing round them, and it would help them to resist if they were assured of some British interest, shown in however small a way, in their fate.

There was no doubt that the uneven distribution of the human race over the earth's surface was responsible for part of the present difficulty. The rate of increase of population in such countries as Yugoslavia was a matter of considerable concern to those responsible for the economic development and welfare of the country. Obviously, however, only long-term policy could affect an issue of this kind.

There certainly was a disproportionate number of German experts employed in the Balkan countries, but in many other countries there was an equally large number of British experts, and although this was an interesting fact, it was not of first importance in considering the trade situation.

The question as to whether Germany's successes were due to her having a State-controlled economy and whether a free economy would be able to compete with her in any way might be considered from either a long-run or a short-run point of view. But while it was interesting to consider whether in the long run a controlled economy might or might not have competitive advantages, it would be a pity to ignore the fact that from a short-term point of view something could be done by Great Britain to loosen a little the bonds which held these countries to the Nazi policy, without any necessity for raising the broader issue

THE REPORT OF THE PALESTINE PARTITION COMMISSION[1]

Sir JOHN WOODHEAD, K.C.S.I., C.I.E.

IT is rather less than eighteen months ago that the late Earl Peel addressed you on the question of the Palestine Royal Commission. To-night it is my privilege to speak to you on the subject of another Palestine Commission, the Palestine Partition Commission. Partition had been recommended by the Royal Commission, over which Earl Peel presided, as the best solution that they could put forward for the deadlock in Palestine, and in March last we were appointed, my colleagues and I, as a technical Commission to consider in detail the practical possibilities of a scheme of partition. The Royal Commission had given only a rough outline of the boundaries under their plan, and the first task, therefore, to which we had to apply ourselves was to draw those boundaries exactly. Having completed those boundaries, we obtained a plan of partition which reproduced the Royal Commission's plan, the plan which we called Plan A.[2] In drawing those boundaries more exactly we had to make certain changes; the main changes were these. First, the boundary of the Jerusalem enclave had to be extended on the north, and, secondly, changes had to be made in the boundary of the Jewish State south of Tulkaram and in the boundary of that State along the Valley of Jezreel in order to provide a suitable defensive boundary. Apart from those changes, the plan, which we called Plan A, followed closely the Royal Commission's rough outline.

Our terms of reference required us to recommend boundaries for the Arab and Jewish areas which would include the fewest possible Arabs and the fewest possible Arab enterprises in the Jewish area, and vice versa. When the population and land figures for Plan A had been extracted, it was clear that while the Arab State complied with those requirements, the Jewish State did not. The number of Arabs in the Jewish area was very large, being about 295,000, as against 305,000 Jews. The area of the

[1] Address given at Chatham House on December 6th, 1938; Mr. Clement Jones, C.B., in the Chair.

[2] For outlines of Plans A, B, and C see opposite page.

Arab land was also large, out of a total of about 5,000,000 dunums[1] the Arabs owned more than 3,750,000 dunums. The Royal Commission recognised that the problem created by this large Arab minority would be a serious hindrance to the successful operation of partition, and they proposed that it should be solved by the transfer of the greater part of those Arabs from the Jewish State to the Arab State. They hoped that it would be possible by means of irrigation to provide land in the Arab State for the re-settlement of this large number of Arabs, and they contemplated that, with the consent of the Arab leaders, the transfer of the Arabs from the plains should in the last resort be compulsory. His Majesty's Government had, however, before we were appointed, announced that they had not accepted the proposal for a compulsory transfer, and the Jewish witnesses who appeared before us made it clear that Jewish opinion would also be opposed to any degree of compulsion. The first question we had to consider, therefore, was whether the problem presented by this large Arab minority could be solved by the voluntary transfer of the Arab population. The conclusion we reached was that it could not be solved in that manner.

We considered that question in two parts: first, was land available for the re-settlement of the large number of Arabs involved? Secondly, if land were available, would the Arabs be willing to migrate? There are large areas of thinly populated country, first, in the Beersheba Sub-District—that is, in the southern part of Palestine—the Beersheba Sub-District is almost equal in area to half of Palestine; secondly, in the Jordan valley, south of the Sea of Galilee and north of the Dead Sea; and, thirdly, in Transjordan; and it was in these areas that the Royal Commission hoped it would be possible, by means of irrigation, to provide land for the re-settlement of the Arabs. £90,000 were sanctioned, £60,000 being provided by His Majesty's Government, for hydrographic surveys in these areas. Work began in January 1938, and although the fear of Arab attacks prevented the experiments being completed, well-boring experiments having to be closed down in August, sufficient progress was made to enable conclusions to be drawn as regards the amount of land which was available.

In Beersheba the well-boring experiments were extraordinarily disappointing, and the results furnished little hope that this large area, which now supports only about 60,000 Bedouins, would be able to support a larger agricultural population than it

[1] A dunum is about a quarter of an acre.

does to-day. Apart from irrigation by wells, dry farming may have possibilities, but until dry-farming methods had been fully investigated, we felt it would be unwise and entirely premature to assume that the Beersheba Sub-District afforded scope for the settlement of a large number of Arabs.

In the Jordan Valley investigation showed that there was little hope of an extension of cultivation by means of wells or by using the water from the perennial streams which flow into the Jordan from the Transjordan side, and it was clear that if large areas in this valley were to be brought under cultivation, water for irrigation would have to be obtained from the Sea of Galilee, the River Jordan or the Yarmukh River. The Yarmukh River is a tributary of the Jordan; it flows through Syria and joins the Jordan just south of the Sea of Galilee. Here, however, we were met by difficult and complex problems. The first arose out of the absence of any agreement with Syria as regards the utilisation of the water of the Yarmukh. It would be obviously unwise to base irrigation projects on the utilisation of the waters of the River Yarmukh if Syria should assert a first claim to those waters. The second difficulty arose out of the rights possessed by the Palestine Electric Corporation over the waters of the Sea of Galilee, the Jordan and the Yarmukh Rivers. The Corporation have an electric power-station just south of the junction of those two rivers, and by their concession they are entitled to the use of the water flowing out of the Sea of Galilee and flowing down the River Jordan and the River Yarmukh. The third difficulty was the effect of the abstraction of a large quantity of water from the River Jordan on the level of the Dead Sea. The River Jordan flows into the Dead Sea, but nothing flows out of it. The amount of water put into the Dead Sea by the River Jordan is equal to the amount of water which escapes from that Sea by evaporation, and the difficulty which met us was that if large quantities of water were abstracted from the River Jordan for the purposes of irrigation, the level of the Dead Sea would fall and the operations of the Palestine Potash Company, which works a concession in connection with the Dead Sea, would be affected. The conclusion we came to was that even if these difficulties were overcome, even if they could be solved, if irrigation canals should prove to be practicable, the engineering problems were considerable, and if means could be found to finance the cost, in the region of several millions of pounds, the additional agricultural population for which provision could be made would not be more than

about 50,000 persons. An alternative to irrigation by canals would be irrigation by pumping from the Jordan. That, however, would irrigate a much smaller area, and again on the most optimistic view the additional agricultural population, for which land could be provided, would not be more than about 18,000 to 19,000 persons.

We also examined the possibility of finding land in Transjordan. Transjordan falls into two zones, one called the rain-fed zone, which extends from the northern boundary to a point some distance south of the Dead Sea, and the other called the dry zone, the desert. The rain-fed zone is very small—about 8,000,000 dunums. The dry zone is unfortunately very large—about 80,000,000 dunums, ten times the size of the rain-fed zone. The rain-fed zone is already occupied by the population of Transjordan, and there are clear indications that there is land-hunger among the people living in that zone. In the dry zone, the desert area, well-boring experiments, unfortunately, have been uniformly unsuccessful, and there appears to be little likelihood of that enormous area of desert land supporting a larger population than it does to-day.

Our final conclusion as regards these three areas, the Beersheba Sub-District (often called the Negeb), the Jordan valley, and Transjordan, was that, even on the most optimistic basis, land was not available for the re-settlement of more than a mere fraction of the Arabs involved, and that it would be mere speculation to assume that land would become available for even that small fraction.

But supposing land were available, the question still remained, would the Arabs be prepared to migrate in order to make way for the Jews? It seemed to us extremely unlikely that they would. Like all peasants, they are deeply attached to their homelands. Further, the lands they now occupy are the most fertile and the best watered in Palestine. On the contrary, the lands in the Beersheba Sub-district and the Jordan valley have a scanty and uncertain rainfall, and cultivation in those areas must depend almost entirely on irrigation. In any event, it seemed improbable, having regard to the feelings of the Arabs towards the Jews, that the Arab cultivators would be prepared to migrate in order to make space for the Jews.

We next investigated the possibility of finding a solution of this Arab minority problem by means of excluding from the proposed Jewish State an Arab area, and that brought us up immediately against the problem of the inclusion of Galilee in

the Jewish State. By Galilee, I mean the northern portion of Palestine bounded on the east by the escarpment overlooking the Huleh Basin, on the south by the southern edge of the Galilee hills and on the west by the Mediterranean. It is very largely a hill country—in fact, entirely a hill country except for the plain along the Mediterranean. Galilee is entirely Arab. Out of a total population of over 90,000 there are less than 3000 Jews, and the great majority of those Jews live in the town of Safed. The Jews also own very little land in Galilee, practically none. We had little hesitation in coming to the conclusion that Galilee should not be included in the Jewish State. The Arab population is strongly opposed to such a measure, and it would have been impossible to justify using force, and a great deal of force would have been necessary, to compel this large body of Arabs, in what is a purely Arab area, to accept Jewish rule. The inclusion of Galilee in the Jewish State would, we thought, have created a minority problem which would have endangered not only the safety of that State, but also the prospect of securing in the future friendly and harmonious relations between Arabs and Jews in the Middle East.

Having reached the conclusions, first that the Arab minority problem could not be solved by a transfer of the Arab population, and secondly that Galilee must be excluded from the Jewish State, it followed that we were unable to recommend the adoption of the Royal Commission's plan of partition.

Our next step was to examine what we called Plan B. Plan B is the Royal Commission's plan with the exclusion from the proposed Jewish State of Galilee, and also of a small area at the southern extremity of that State. There was no difficulty as regards the political destination of the small area on the south—that obviously had to be included in the Arab State—but the political destination of Galilee raised serious problems. As you notice, Galilee dominates the plains to the east and south, and if Galilee were to pass under Arab control, the Jewish State would be very vulnerable to attack. The sectors of the Jewish State on the east and south of Galilee would be dominated by the Arabs in Galilee. Also those sectors would be surrounded by Arab States, the Arab State to the north and south and, of course, Syria to the east. Further, the military authorities had told us that, in case of war, Haifa would be untenable if Acre were in hostile hands. That meant that if Haifa were in the Jewish State, Acre could not be in the Arab State. For these reasons, we were driven to the conclusion that Galilee, although

it could not be included in the Jewish State, could not be included in the Arab State, and if it could not be included in either the Jewish or the Arab State, there was only one course left, that was that it should remain under Mandate. But here we were up against another difficulty. A permanent Mandate, with no provision for its termination, appeared to be inconsistent with the provisions of Article 22 of the Covenant of the League of Nations. Apart from this, it seemed to us to be fundamentally wrong that the Jews in the plains to the east and south of Galilee should be given their independence while the Arabs in Galilee should be refused theirs in order to ensure the security of the Jewish State. In view of the majority of the Commission, the problems created by Galilee were fatal to Plan B.

Having come to the conclusion that neither Plan A nor Plan B was acceptable, we, the majority of the members of the Commission, put forward an alternative which we called Plan C. Under that plan Palestine falls into three parts: first, a northern part which we proposed should be retained under Mandate, and which includes Galilee and the plains to the south and east; secondly, a southern part, which we also recommended should be retained under Mandate and which corresponds roughly to the Sub-District of Beersheba; and thirdly, a central area, which was the only part of Palestine we considered could be partitioned without injury to either Arabs or Jews. This central part is divided into the Jewish State—a very small Jewish State—the enclave round the Holy Places of Jerusalem and Bethlehem, and the Arab State. You will notice that the Jewish State is very much smaller under this plan than under either Plan A or Plan B. The Arab State is also smaller because it has lost the Beersheba Sub-District.

Several reasons led us to the conclusion that the northern area could not be partitioned. First came Galilee. Galilee is always cropping up. Galilee could not be put into the Jewish State without injury to the Arabs of Galilee, nor could it be placed in the Arab State without endangering the Jewish colonies in the plain of Esdraelon, the plain of Jezreel, and the Huleh Basin. Secondly, the plains alone could not be put into the Jewish State, nor could the whole of the northern area—Galilee and the plains—be put into the Arab State without injustice to the Jews; it would have been impossible to place the Jewish colonies in the plains of Esdraelon and Jezreel, and the Huleh Basin under Arab domination. And thirdly, the majority of us were convinced that the port of Haifa, the only deep-water port

on the coast of Palestine, could not be included in the Jewish State without injury to Arab interests, and could not be included in the Arab State without detriment to Jewish interests.

As regards the southern area the considerations which weighed with us were rather different. If the Beersheba Sub-District—the Negeb—were now included in the Arab State, that would mean that the Jews would be deprived of all opportunity of developing and settling in that large and thinly populated area. As I have explained, Beersheba is practically half of Palestine. It falls into two parts, one which we called the occupied portion, and which lies north and west of a line drawn approximately from Al Auja north-west through Asluj and Kurnub—this is cultivated by the Bedouin, who, as I have said, number only about 60,000; and another which we called the unoccupied portion, and which comprises the whole of the area south and east of this line—this portion is uninhabited except for a few Bedouin who graze their cattle there at certain seasons of the year. Although the prospects of Jewish settlement in this large area, in either the occupied or the unoccupied area, were very slender, it seemed to us to be wrong at the present moment to take action which would have the effect of depriving the Jews of all opportunity of developing and settling in the area. On the other hand, it was impossible to place the occupied area, with its 60,000 Arabs and no Jews, in the Jewish State without contravening our terms of reference; and as regards the unoccupied area, we thought it undesirable to place it under either Arab or Jewish rule at the present juncture. These were the reasons which weighed with us in deciding that the northern and the southern areas could not be partitioned.

But, having reached the conclusion that those two areas should be retained under Mandate, further questions arose. How long should they be retained under Mandate, and under what conditions? Those were important questions; for it would certainly have been a profound mistake to have left Jews and Arabs uncertain whether in a few years' time either of them might be subjected against their will to the political domination of the other. That is one of the problems of Palestine: the political domination of the Arabs by the Jews, and the political domination of the Jews by the Arabs. We excluded a permanent Mandate with no provision for its termination, on the ground that such a Mandate would be contrary to the provisions of Article 22 of the Covenant of the League of Nations. The solution we proposed for the northern area was that the Mandate should

continue until the Arabs and the Jews in that area agreed to ask that it should be surrendered and the area given its independence either as part of an existing Arab or Jewish State or as a separate Palestinian State. We made, however, reservations as regards Haifa and Acre. Haifa is of extreme importance from the point of view of the Mandatory Power, charged as that Power will be with the defence of the Holy Places at Jerusalem and Bethlehem and, by treaty, with the defence of the two States against external aggression. As regards Haifa and Acre, we made this reservation, that independence should only be granted to those two towns, along with suitable defensive boundaries, if that could be safely done having regard to the special responsibilities of the Mandatory for the protection of the Holy Places and the two States against external aggression.

As regards the southern area, we recommended that the Mandate should continue for at least ten years, and that no independent State should be set up in opposition to the wishes of the minority, unless the minority were so small that its wishes ought not to be allowed to prevail. And in order to prevent any misunderstanding on the part of the Bedouin of that area, we also suggested that the occupied area—that is, the area which is now cultivated by the Bedouin—should in no case be made an independent State if the majority of the Bedouin objected.

By these measures we hoped to assure both the Jews and the Arabs that neither would, without their consent, be subjected to the political domination of the other.

There were also other questions we had to consider as regards the Mandated areas: questions relating to Jewish settlement and Jewish immigration. Having regard to the small area of the Jewish State under Plan C and the obligations to the Jews under the Balfour Declaration, we considered it necessary that suitable provision should be made for the continuation of Jewish immigration into the Mandated territories. On the other hand, we were convinced that the Arabs' fear of economic domination by the Jews was real, and that if Jewish immigration were to continue, we must devise measures, expressed in precise and not general terms, that would remove any reasonable foundation for the continuance of this Arab fear of economic domination by the Jews.

In the economic field it is the acquisition of agricultural land by the Jews which has provoked the greatest resentment among the Arabs. They view with extreme distrust the amount of land which has passed into Jewish hands, and they fear that, having

regard to the capital which the Jews can command and the prices they are prepared to pay, more and more land will pass under Jewish control. They also realise that land which has been purchased by the Jewish National Fund can never be resold to Arabs, and that Jews who are settled on that land are by their leases prohibited from employing Arab labour. To remove that fear of economic domination by the Jews, we thought it was necessary that the Jewish purchases of land in the Mandated areas should be controlled. For the northern area we proposed that in Galilee the purchase of land by the Jews, by a Jew from a non-Jew, should be prohibited, that this prohibition should not be reviewed until the expiry of ten years, and that after the expiry of this period it should not be relaxed or withdrawn unless the Arabs agreed. In the remainder of the northern area we drew a distinction as regards the Haifa industrial area and any other urban area which might be specially notified by the Government; we drew a distinction between urban areas and rural areas. In the urban areas we saw no reason why the Jews should not be allowed to purchase land freely. In the rural areas we recommended that the transfer of land to Jews should be prohibited except with the approval of the Government, and that that approval should be given only if certain conditions were fulfilled. The main set of conditions was that the Government should be satisfied that the land was capable of carrying a larger population than it does to-day, that adequate provision should be made for the re-settlement of the cultivators already living on the land, and that, except where this appeared to be impracticable, any surplus land which might result from development, should be shared equitably between the Arabs and the Jews.

That was the negative side of control so far as the northern area was concerned; the same conditions were proposed for the Jerusalem enclave. But we considered it was not adequate simply to control Jewish purchases of land. We thought it essential that Government should also adopt a more vigorous policy towards land development, and in that connection we suggested that the Government of Palestine should spend more money. We contemplated that these additional funds should be provided by His Majesty's Government because the Palestine Government is not in a position to finance this expenditure. These funds would be devoted to land development, the primary object of which would be the settlement of Jews on the land. Although this would be the primary object, the development programme would be so arranged as to benefit both Arabs and

Jews. The programme would consist not only of land-development schemes, such as drains, irrigation works, roads and bridges, but also of schemes for agricultural education, agricultural research and experiment. In all we recommended that His Majesty's Government should provide for non-recurring expenditure the sum of £1,000,000, and for recurring expenditure £75,000 a year for ten years.

As regards the southern area, the Beersheba Sub-District (Negeb), it was not so easy to make definite recommendations; for this area we put forward tentative proposals. As regards what we termed the unoccupied area,[1] we saw no reason why the Jews should not be allowed, if they wished, to develop that area as far as they possibly could, of course, subject to Government control and Government supervision. As regards the occupied area, the position was not so simple. We considered that, first, the transfer of land to Jews should be prohibited; secondly, that the survey and settlement of the area should be completed as soon as possible (until it had been surveyed and settled no land should be sold to the Jews); and, thirdly, that further experiments should be made into the possibility of developing the land by irrigation from wells, by the conservation of surplus rain water and by dry-farming methods. If, as a result of these experiments, it was proved that the land could carry an additional population, then, when adequate provision had been made for the existing Bedouin (these Bedouin are extraordinarily poor and live under miserable conditions) to enable them to live decently, purchases by the Jews should be permitted under Government control.

Immigration goes hand in hand with land settlement. We recognised that in view of the large areas which under Plan C would fall under mandatory control, it was necessary to make special provision for Jewish immigration. We contemplated that so far as immigration from outside what is now Palestine and Transjordan was concerned, preference should be given to the Jews, and that other immigrants should be rather the exception than the rule. We also suggested that, as recommended by the Royal Commission, the number of immigrants should be decided not only on economic grounds, but also on political, social and psychological grounds.

I next come to one of our most important terms of reference, the one which required us to recommend boundaries which would enable the Arab and Jewish areas to be self-supporting. It was

[1] See p. 177 above.

a difficult and complicated task—the burden of which fell very largely upon the willing and very capable shoulders of Mr. Johnson, the Treasurer, and his assistant—to work out the budgetary forecasts of the different areas. The figures, when they were obtained, were extremely startling and very disconcerting. What they showed was this: excluding any provision for defence and any provision for increased expenditure consequent on partition, the financial effect of partition under Plan C would be that, while the Jewish State would have an annual surplus of about £600,000, the deficit on the Mandated Territories would be about £450,000, and that on the Arab State £550,000, or if Transjordan were included, £600,000. Those were startling figures. The explanation of the great difference between the financial position of the Jewish State on the one hand and the Mandated Areas and the Arab State on the other is to be found mainly in two factors. First, the average *per capita* rate of contribution to tax revenue by the Jews is very much higher than that by the Arabs; and secondly, the Jews form the great majority of the population of the Jewish State, whereas in the Arab State there are practically no Jews, and in the Mandated Areas the Jewish population is only 25 per cent. of the total population. The distribution of customs revenue illustrates this very clearly. In the estimates for the present year the customs revenue forms 65 per cent. of the total tax revenue of Palestine and, out of a total estimated customs revenue of about £1,800,000, the share of the Arab State worked out at only £213,000, whereas that of the Jewish State was estimated at £850,000. Again, if you turn those figures into *per capita* figures, the rate of contribution to customs revenue amongst the inhabitants of the Arab State works out at less than 10s., whereas amongst those of the Jewish State it works out at £3, or six times more.

There is also another reason for the poverty of the Arab State, and it is this: the greater part of the Arab wealth of Palestine lies outside the Arab State, and that must be so under any plan of partitition which is based upon the inclusion in the Arab State of the fewest possible Jews and Jewish enterprises and on the creation of a mandated enclave for the Holy Places at Jerusalem and Bethlehem. The distribution of the citrus land under Plan C illustrates this point. The Arabs and the Jews possess almost an equal area of land under citrus. The Arabs own 143,000 dunums, but of those only 41,000 dunums are in the Arab State; the position is practically the same under Plans A, B, and C. Out of 143,000 dunums of Arab citrus land only

41,000 dunums are within the Arab State, and the rest fall either within the Jewish State or the Mandated Area.

The Royal Commission foresaw the possibility that the Arab State would have a deficit, and they proposed that the Jewish State should make a subvention to the Arab State. That proposal was not received with enthusiasm by either Arabs or Jews; the Arab Press rejected it with scorn. We felt we could not recommend it. We found it difficult to subscribe to the reasons given in support of it by the Royal Commission, but, apart from that, it seemed to us that a subvention of that kind, a permanent subvention by one State to another, by one independent State to another, instead of bringing peace and good will, would be more likely to provoke resentment and humiliation on both sides. We also thought that experience pointed to the conclusion that such an arrangement was not likely to endure for long, and could not prudently be made the foundation of a permanent settlement, and in any case the deficit was so large—£550,000—that it could not be made up by any subvention which could be reasonably demanded from the Jewish State.

The result of all this was that we were forced to the conclusion that it was not possible under our terms of reference to recommend boundaries which would offer a reasonable prospect of the eventual establishment of a self-supporting Arab State, and this conclusion appeared to be equally valid under any scheme of partition, under Plan A, B, or C. In fact, if partition were to be carried into effect, there was no alternative but that Parliament would have to be asked to provide the necessary funds to meet the deficit on the Mandated Areas and the Arab State. It was estimated that this deficit, exclusive of the cost of defence, would amount to about £1,250,000 a year, that is, for both the Mandated Territories and the Arab State; and as against this deficit the Jewish State would have a surplus of about £600,000.

We gave considerable thought to the problems presented by customs and tariffs. Those were specifically referred to in our terms of reference. The Royal Commission had regarded tariffs as a crux of partition, and considered it essential that a commercial convention should be concluded embracing the two States and the Mandated Territories with a view to establishing a common tariff over the widest possible range of articles. We agreed, and endorsed that view, but we went further. We took the view that it was essential that the three areas—that is the Arab State, the Jewish State and the Mandated Territories—should constitute a single customs union. Our reasons for that

conclusion were two: first, we considered that the economic survival of the Arab State depended upon its having access to markets outside its own area. Under Plan C these markets lie inside the Mandated Territories, at Jerusalem and Haifa. The Arab State, being entirely agricultural, possesses a considerable amount of surplus agricultural produce, and the only areas in which markets can be found for that surplus produce are outside that State. The second reason was this: that if the Jewish State under Plan C were to provide employment for a large additional number of Jews, it would have to expand industrially, and it was impossible for such a small state to expand industrially unless it was assured of a market outside its own borders, a market in the rest of Palestine—that is, in the Mandated Territories and in the Arab State, including Transjordan.

(I might digress here for a moment as regards the distribution of the Jewish population. The Jewish population in Palestine amounts to about 400,000. Out of that number, 140,000 people live in one town, the town of Tel-Aviv, over 70,000 live in the town of Jerusalem, and a further 50,000 in the town of Haifa. That is, the three towns of Tel-Aviv, Jerusalem and Haifa have a Jewish population of, at least, 260,000 between them. Of the total Jewish population the portion which is supported directly by agriculture is small. Only 56,000, according to the figures given by the Jewish census of agriculture of 1936, are dependent directly upon agriculture for a living. The rest are either domiciled in the towns (in the urban areas) or are persons who live by industrial pursuits in the agricultural settlements.)

As a customs union would give the Jewish State an assured market in the whole of Palestine and Transjordan, we thought it would not be unreasonable to require the Jewish State, in return for that advantage, to sacrifice a portion of its customs revenue, with a view to improving the financial position of the Arab State. The pooling of the customs revenue had also another advantage. It would have enabled certain common charges, such as the charges on account of the Palestine Debt, charges on account of pensions attributable to pre-partition service, also the contribution made by Palestine towards the cost of the Imperial Empire Air-Mail Service, to be met out of a common fund, and it would have been a convenience if these charges could be so met after partition. Unfortunately, however, we finally had to abandon the idea of a customs union because the form of the union would have had to be one in which the will of the Mandatory would have had to prevail, and that, of course, would have been incon-

sistent with independent Arab and Jewish States. The will of the Mandatory with regard to fiscal matters would have had to prevail, since the Mandated Territories, as I have explained, would not have been self-supporting: they would have had to depend upon a grant-in-aid by His Majesty's Government, and His Majesty's Government could not have been expected to agree to a scheme for a customs union which would have deprived them of the right to insist, on revenue grounds, on changes in the tariff applicable to those territories. Under a customs union the rates of customs duties would be determined by the majority view of the members of the union. The rates of duties so fixed might have affected adversely the financial position of the Mandated Territories, and might have resulted in His Majesty's Government being required to increase their grant-in-aid. For that reason we were compelled to abandon the idea of a customs union.

As I said earlier, we were a technical Commission, appointed to investigate the practical aspects of partition. Apart from political difficulties, on which it was not our duty to advise, the practical difficulties, as I have explained, centred very largely around finance and economics. There were, of course, administrative difficulties. For instance, the railway from Haifa would under Plan C have run first through Mandated territory, then through Jewish territory, after that again through Mandated territory, then again through Jewish territory, then through the Arab State, and finally once more through Mandated territory. Those administrative difficulties, although their existence could not be denied, did not, however, appear to us to be insuperable if there were a will to find a solution. The same difficulties have arisen, I believe, in Central Europe as a result of certain recent changes. But we could find no possible way of overcoming, within our terms of reference, the financial and economic difficulties. And our final conclusion was that on a strict interpretation of those terms of reference, we had no alternative but to report that we were unable to recommend boundaries which would afford a reasonable prospect of the eventual establishment of self-supporting Arab and Jewish States.

Commissions have often been described as falling into two categories One category includes those which submit a unanimous report. The other category consists of those which fail to reach unanimity. We belong to the second category; we were not unanimous. One of my colleagues preferred Plan B to Plan C. But it was unanimously agreed that there was no

reasonable prospect, even under Plan B, of the eventual establishment of a self-supporting Arab State. Another of my colleagues, while he agreed that Plan C was the best we could produce—admittedly it was not perfect, perfection in Palestine is a difficult thing to achieve—considered the practical difficulties far more acute than had been indicated in the main report, and took the view that partition was impracticable in every way. Commissions also sometimes travel outside their terms of reference, and two members—I was one of the two—of the Partition Commission committed that "fault." We suggested that it might be worth while considering a modified form of partition which we called economic federalism. I do not propose to pursue that idea now, the time is too short; whether that idea will bear fruit or not it is as yet too early to say.

On the day on which our report was published, His Majesty's Government issued a statement. It was to this effect: that after a careful consideration of the report, they had come to the conclusion that our examination had shown that the political, administrative and financial difficulties involved in the proposal to create independent Arab and Jewish States in Palestine were so great as to render that solution of the Palestine problem impracticable. So ends the proposal for solving the Palestine problem by partition involving the setting up of independent Arab and Jewish States.

Discussion.

PROFESSOR COUPLAND said that he would not try in the space of ten minutes to contest the lecturer's case, especially as it was the terms of reference of this Commission he quarrelled with rather than its conclusions. His reason for speaking was to do justice to the memory of a man not present to speak for himself. Had Lord Peel lived, with his reputation for sound practical common sense, with his influence with Ministers and his platform in the House of Lords, the story of what had happened since might have been differently told. It was unfair to the memory of a man whom all Parties had regarded as a great public servant that it should be thought (and this was the type of misconception current in public opinion and in the House of Commons; it was to be hoped that it would be corrected in the House of Lords) that the Peel Commission had suddenly, at the last minute, been seized with the idea of partition, that they had hurriedly adopted it without facing up to its difficulties and thrown it at the Government, who, with unwise precipitancy, had been rather over-persuaded into accepting it owing to the clarity of the logic with which it had been put forward. The first part of this at least was utterly untrue.

The Commission had spent only six weeks of study in Palestine before the idea of partition had been considered and a memorandum on it circulated among its members. The report that the idea had been suggested from outside the Commission was quite false. During all the ensuing weeks this idea had been in their minds, and authoritative witnesses had been questioned formally and informally about it. At the end of their work in Palestine, after discussing their general reaction to all the evidence they had heard, the Commission came unanimously to the provisional conclusion, subject to further consideration in England, that partition was the only solution that offered a prospect of overcoming the deadlock in Palestine.

Nor had the Royal Commission failed to face up to the difficulties of partition; they never denied they were great, but argued that those of any other policy were greater. If you were utterly convinced, as the Peel Commission had been utterly convinced, that peace could not be attained in Palestine without this preliminary surgical operation, then you had to have the courage of your convictions. The phrase had often passed between the members of the Commission, "*Where there's a will there's a way.*"

Two recent analogies seemed instructive. (1) Peace could not have been secured in Ireland without partition—a partition which would probably lead one day to the unity of that island. If it had been laid down as a condition of partition that there should be as few Catholics as possible in Northern Ireland, or if too much attention had been paid to the fact that Southern Ireland would lose the industrial area of Belfast, partition would not have taken place in Ireland and civil strife would have continued. (2) God forbid that Herr Hitler's methods should be approved, but supposing it were to be agreed that the peace of Europe and of the world had to be bought at the price of partitioning Czechoslovakia, would it not then be necessary to agree that there must be a large Czech minority in Germany and that the rump of Czechoslovakia must be much poorer than the former Czechoslovak State had been?

If the Government had firmly followed up its adoption of the Peel Report and mobilised all its diplomatic resources to bring pressure to bear upon the Arab States, it might have been able to convince them that the scheme of partition was *at least* as much in their favour as it was in the favour of the Jews. Negotiation on the basis of the Peel Report would then have been possible. Adjustments could have been made with Syria and the Lebanon, something might have been done to meet the need of Iraq for development and population. Transjordan could have been brought into the picture. All such plans and adjustments, however, would still have left a substantial Arab minority in the Jewish State. Obviously this was unfortunate, but it had not seemed a tragedy to the Royal Commission. They had been convinced that the Arab minority in the Jewish State, once the operation had been carried through and wounds had begun to heal, would be

materially better off than the Arabs in the Arab State, and that the Jews, anxious to show how a minority should be dealt with, would treat them with the utmost justice and provide them with better social services than they would receive from their own people.

Lord Peel had been a man of some financial experience, not disposed to throw either his own or the country's money away; yet he had considered that it scarcely mattered what partition cost, since the expense to Great Britain of continued strife in Palestine would be far greater in the end. The Commission had thought it not unfair to propose a Jewish subvention provided they were willing to pay it. Of course they had not meant a permanent annual "tribute." A leading Jew had suggested that the subvention would be capitalised by raising a loan, and would be fully paid over in two or three instalments, which the Arab Government could use for capital expenditure—*e.g.*, for building schools and hospitals and establishing funds for their maintenance. They had considered that the Arab State had no right in the circumstances to retain the high standard of social services which Jewish taxation had given them, and had contemplated something between the existing level and the level of Syria. They now believed that the Jewish subvention would meet the gap. They had thought that the Jews, when that chance was offered to them, would be willing to perform an act of generosity which would startle the imagination of the world. They had thought, too, and they would think so still more to-day, that the Jews would be willing to pay almost any price to get an area into which they could send a substantial number of Jews from Central Europe without delay.

With regard to the British share in the financial settlement, Lord Peel and the whole Commission had considered that Parliament could well be asked for any reasonable sum which might bring to an end a state of affairs which was exhausting the resources of Palestine and putting an increasing burden on the British tax-payer. In their scheme the Mandated area had been very much smaller than that suggested by the present Commission. It had contained Jerusalem and for a period Haifa, two prosperous and growing towns, with a relatively small rural area. It had been rather a municipal than a colonial proposition. The taxable capacity of the urban commercial and industrial populations might be expected to increase with time and so lessen the need for external support. In the meantime the Commission had roughly estimated that it would be necessary to ask the British tax-payer for £250,000 a year, and Lord Peel and his colleagues had thought that they were entitled to ask for that, not only for the possibility of peace and the savings peace would bring, but also as the price of the immeasurable advantage of Great Britain's strategic position in Palestine. Had Britain any right to enjoy that advantage without paying for it? And the price they had reckoned was no more than the interest on the cost of a single battleship.

MR. LEONARD STEIN said that he had never been able to believe in partition in the form in which it had been proposed by the Royal Commission, which was partition involving the establishment in Palestine of two independent sovereign States. On the other hand, he had always believed that in the idea of partition there might be the germ of a principle which, properly applied, might form the basis of an ultimate solution. He therefore agreed with the Partition Commission that this first scheme was impracticable under the conditions at present existing, but he disagreed with the Commission's report under two other aspects. He had been very disappointed with the type of compromise proposed by the Commission. Firstly they had proposed that the Jewish State proposed by the Royal Commission should be reduced by 75 per cent., and reduced to an area which would give the Jews just over 9 per cent. of the whole area of Western Palestine, exclusive of the almost uninhabited Beersheba district. In the remaining 91 per cent. of the country what was the position of the Jews to be? To begin with, this wretched little area in Western Palestine was not really to be independent. It was to be forced into a customs union on highly unfavourable terms. It was to receive far less of the customs revenue than its appropriate share, and was to accept far more than its appropriate share of the liabilities of the Palestine Administration. Then in the other 91 per cent. of Palestine the transfer of land to Jews was to be entirely prohibited in certain areas, and elsewhere severely restricted for a period of ten years. Sales of land were to be prohibited, not by reference to the interests of the vendor, but by reference to the identity of the purchaser; the prohibition was to be a prohibition of sales to Jews as such. Anyone else would be quite free to buy, no matter what his intentions might be. Even in the Mandated areas sales of land to Jews, except in certain urban areas, were to be allowed only under the severest restrictions and were, in effect, to be subject to the arbitrary discretion of the local Administration

To take another point. It was, at the present juncture, more than ever a vital necessity from the Jewish point of view that Palestine should be enabled to take in as many Jews as it could absorb. He did not mean to say that this was the only thing to be considered, or that the Jewish view must prevail, but, obviously, this was the aspect of vital interest to the Jews. Under the compromise suggested by the Woodhead Report 91 per cent. of the area of Western Palestine was to be closed to Jewish immigration, except such immigration as might be allowed at the discretion of the local authorities, an arbitrary discretion to be exercised not only with regard to economic considerations, but also with regard to political and psychological considerations which at any given moment the local authorities might consider relevant. Again it was worth bearing in mind that this discretion would not be exercised under the terms of the present Mandate, but the terms of the Mandate would no longer operate in

connection with immigration, so that the discretion would be arbitrary in the fullest sense of the term. The scheme demanded concessions from the Jews going far beyond what could reasonably be asked of them.

COLONEL A. J. K. TODD said that he had no personal connection either with the Jews or with the Arabs. He was a British subject, and if there were any meaning in democracy, the British people were collectively responsible for their Mandate in Palestine. He had wondered many times whether Great Britain were functioning fairly, honestly and strongly in Palestine as the Mandatory Power. His fears had been confirmed by the lecturer who had given three reasons which made it well-nigh impossible to transfer Arabs from the Jewish State to Arab States. One was certainly outside the British ken, being in Syria; but the other two had been brought about by the direct action of the British Government, in granting the Rutenburg Concession and the Dead Sea Concession. As the Mandatory Power she should have considered when granting those Concessions whether they would work in the interests of the people of Palestine.

Then, concerning the Balfour Declaration, had the British people ever heard the truth on this subject? In looking up the report of the Peel Commission, he had found stated on page two of that report that it was impossible to study the problem of Palestine without considering the history of the case, and it had even gone back two thousand years B.C. to give a clear picture. Then on page twenty it was stated that because the MacMahon Letters were twenty years old, they were not to be included in the terms of reference. Although those papers were of the utmost importance as evidence in considering this problem, never once had they been disclosed to the public. Certainly MacMahon had said what he had intended to mean by those papers, but surely, when there was grave discussion as to their meaning, the papers themselves should be produced as possibly the most important evidence to be considered, not only by the Commission, but by every British subject responsible for the Mandate in Palestine.

MR. RICHARD PILKINGTON said that he personally, though with some reluctance, was in favour of partition in Palestine, but not partition as advocated by either the Royal Commission or the Partition Commission. The plan of the former created a Jewish State as an indefensible enclave surrounded by hostile Arab territory. The plan of the latter created a jig-saw puzzle which was impossible for strategic and general political reasons. Unfortunately, owing to their terms of reference, the later Commission had been unable to propose a form of solution upon which the lecturer might comment, and which was the following. Let the Jews have the Maritime Plain, where they were already densely settled; let the northern boundary to it be the natural geographical boundary, the great Carmel range pointing south-east from Haifa. In addition to this, let them have the whole of Southern

Palestine. This would give them a large compact strategic State surrounded by natural frontiers on all sides. The Arabs, on the other hand, would have their land contiguous with Transjordan and Syria. Another advantage was that this plan would make possible a Jewish corridor to Jerusalem from the south, and he agreed with those who said, What was Zionism without Zion? Then the important harbour of Haifa could be under Mandated control, but contiguous to and used by both States. There were two disadvantages: one was that it did put a large minority in both States, but if there were to be a minority it was better for there to be one in both States, so that transference could be an equal exchange. Secondly, the Negeb was very infertile, but if anyone were going to develop that land, it was the Jews, and not the Arabs, and with flooding, dry farming and the sinking of wells development should be possible.

MR. ARCHER CUST said that he did not think it was quite realised that at present there was a sub-war going on in Palestine, and therefore some solution must be found which could be rapidly applied. His view, based on a number of years' service in the country itself, was that there was something which could be done straight away. Mention had been made in the Woodhead Report of economic federalism. Political federalism could be introduced at once without any contravention of the Mandate. The boundaries of the Peel Commission, except for the Galilee hills and the Jerusalem corridor, were the most fair. It was impossible to draw strategic boundaries in a country the size of Palestine. The best safety for the Jewish area was for it to contain as few Arabs as possible. The Jews and the Arabs could then be told that they had at their disposal these autonomous areas or "cantons" whenever they wished. Great Britain would remain in control of the whole country, so that most of these questions of finance, customs, etc., would fall to the ground. The widest local autonomy could be given, and the peace should be kept by the Mandatory Power, who would retain the right to station its troops where it willed. In two years the French would be leaving Syria, and this would have a great effect on the problem in Palestine. Then the Arabs should be encouraged to join with their countrymen in Syria, Great Britain should retain control of a small enclave round Jerusalem, and Bethlehem, and of Haifa which was now part of her imperial communications. The Jewish area would either federalise itself into a great Arab federation or eventually it might become a self-supporting State fully independent. This form of federal autonomy could and should be introduced immediately, and it was to be hoped that the British Government would take this line.

MISS FREYA STARK said that she spoke as a British subject, not as a pro-Jew or as a pro-Arab. One speaker had said that no price was too great to pay for the strategic safety of Haifa. Its value was very

much in its character of a terminus. It was the terminus of the big pipe line which went through many hundred miles of *Arab* country, and was the terminus of the air route to India which had landing-grounds in many *Arab* lands. The vital and fundamental concern to Great Britain as the greatest Moslem Empire in the world, was that the Moslems outside Palestine should feel the justice of any future settlement.

It had been said, (1) that the Arabs would never combine and (2) that those living outside Palestine took very little interest in the matter. The first point was doubtful: what seemed impossible to-day might become possible in ten or twenty or fifty years' time. In the last generation many new nationalisms had sprung up, and nationalism was in the air at present. But that there was no interest in Palestine outside that country was quite untrue. She had spoken in little Arab tents and in Southern Arabia and in the cities of Iraq, and everywhere the one bar to understanding and sympathy with Great Britain at the present moment was the question of Palestine. Therefore it was vital that any agreement which was made should be in sympathy and co-operation with the Arab powers who were coming to London and whose verdict would rule Moslem opinion in general and other considerations might well be made subordinate to this, because Great Britain was by her position in the world peculiarly dependent on Moslem opinion.

SIR LAURIE HAMMOND said that he still regarded it as a great honour to have served on the Royal Commission. Their report had met with a remarkable success both from the Press and from Parliament. He would like to refer especially to the comments of Mr. Winston Churchill. In 1937 he had spoken of "this magnificently written document, the result of months of enquiry by men of very high ability and character, which should be treated with proper respect and consideration." Some sixteen or eighteen months later he said that, looking back, one could not help but be astounded at the ready acceptance of "this grotesque proposal," "this scheme which amounted to the most perfect recipe for the breeding of organised civil war." A great change had evidently taken place. It was Mr. Churchill who had coined the phrase "economic absorptive capacity," and he had found no one either in Palestine or among the witnesses before the Royal Commission who could properly define it. Mr. Churchill had said that he thought it should include political considerations. Mr. Churchill had put forward an alternative scheme, which was that Jewish immigration should be limited for ten years, so that at the end of that period it should not decisively alter the balance of the population as between Arab and Jew. The growth of the Arab population would increase owing to the animating and fertilising influence of the Jews. The Partition Commission had evidently given up economic absorptive capacity in favour of Arab fecundity. The more Arab babies there were, the more Jews could

enter the country. What was going to happen to them in this overcrowded country, or how they could live, had not been explained. If the Arabs were to turn down this reasonable proposal, then the Mandatory Power should exert its authority and arm the Jewish population, which, in the opinion of the Partition Commission, would be able in a comparatively short time, not only to hold their own in Palestine, but to do very much more. So if the Arabs refused an offer made to them, the hounds of war should be let loose. This scheme seemed almost as grotesque as that of the Royal Commission.

The crux of the problem was: could Arabs and Jews live together? One of the dissentient members of the Partition Commission, Mr. Reid, had considered that in spite of "the communal rancour caused by partition," they could. Other witnesses could be found who held the same view. Did the lecturer think, according to the evidence presented to him in Palestine, apart from people working in the Government or in the potash works, that the ordinary Arabs wished to go hand in hand with the Jews? Had he met any who really gloried in such an association?

SIR JOHN WOODHEAD said that he had been careful to explain that the Partition Commission had been a technical Commission, and was not concerned with policy. Their work had been to discover facts and to report on them, and not to advise as to whether partition was a good policy from the political point of view. A good deal had been heard about minorities lately. The Royal Commission had hoped that the Arab minority problem in the Jewish State under their plan would be solved by the transfer of Arabs from the Jewish to the Arab State, and that with the co-operation of both the Arab and Jewish leaders this would be made compulsory. This, however, had not been found to be possible. It looked to him that the solution of the problem presented by the large Arab minority was an essential part of the Royal Commission plan.

Concerning the administration of the Arab State, it was one thing to raise the cost of an administration, but it was quite another and much more difficult thing to reduce it once it had been established on a high standard. It would certainly not appeal to the Arabs to find that the standard of the services in their State would have to be drastically lowered as a result of partition.

It had been said that the Partition Commission had recommended as a compromise a Jewish State a quarter of that recommended by the Royal Commission. He wished to point out that they had not put forward any "compromise." Their terms of reference had required them to prepare a scheme of partition which would comply with certain conditions, one of which was the inclusion of the fewest possible number of Arabs and Arab enterprises in the Jewish State. As a result of this condition, the Jewish State had been limited to the

Maritime Plain. Again, one speaker had said that 91 per cent. of Palestine was to be closed to Jewish immigration. That was not quite accurate, for the Partition Commission had proposed that Jewish immigration should continue into the Mandated territories. And in this connection it should be borne in mind that the greater part of the Jewish population in Palestine was and was always likely to be an urban population. The large majority were not employed on the land, but in the towns. The extension of an urban population depended upon markets, not upon the amount of land. That was why the Commission had considered a customs union to be essential.

Alternatively, it had been suggested that the Jewish State should include the Maritime Plain and the whole of the southern area. One difficulty of such a scheme was that the Jewish colonies in the plains of Esdraelon and Jezreel and in the Jordan Valley would lie within the Arab State. Another was that the whole of the Gaza Sub-District would be included in the Jewish State; this sub-district contained about 90,000 Arabs and very few Jews. To have included the Jews in the plains of Esdraelon and Jezreel and the Jordan Valley in the Arab State and the Arabs of the Gaza Sub-district in the Jewish State would have been contrary to the terms of reference of the Partition Commission.

SOME PROBLEMS DEALT WITH IN THE "AFRICAN SURVEY"[1]

The LORD HAILEY, G.C.S.I., G.C.I.E.

I ALWAYS feel that it is not enough to say that virtue is its own reward. We must put it more strongly; in this life virtue is always punished. You see an example before you. Chatham House has always shown the most astonishing kindness to the *African Survey*, and now the only amends that we seem to be able to make is to inflict on Chatham House a further dose of the Survey stuff. People who have strained their muscles in trying to lift that terrifying work might well ask if we have not done enough. But I can at least promise that I will not give you a mere summary of the Survey. I have another purpose. For certain good reasons, we adopted the objective method. It has been said that the Englishman's reticences are so carefully calculated that everyone knows exactly what he would have said if he had cared to speak. In the same way, the objective method has its own technique of suggestion, and is not so entirely devoid of means of expressing criticism or appreciation as some might think. Nevertheless, it does to some extent restrict the opportunities for the discussion of principles, or for drawing general conclusions. So let me make here some of the observations for which the *Survey* had no place.

The first is this. Though circumstances may have divided Africa into a number of territorial units, for many purposes we have to regard it as a single unit. Our political divisions mean little or nothing to many natives; they are accustomed to wander freely over large areas in search of work, if to them one territory differs from another, it is largely because they pay more or less tax in one than in another, or because there exists in one area a system of pass restrictions from which another may be free. The identity of the Europeans who occupy the country is not a point to which that class of native attaches quite as much importance as the European may like to imagine. But the point I am making goes far beyond this. Here you have a great mass of people living until lately in an economic and cultural detachment

[1] Address given at Chatham House on December 8th, 1938; The LORD MESTON, K.C.S.I., LL.D. in the Chair.

from our world. Modern civilisation has come upon them suddenly, and its attack is felt over an unusually wide front. It is often believed that the most formidable instrument of change lies in missionary and educational effort. But this view seems to me to neglect the all-pervading influence of purely economic changes. It is the growing of cash crops, the earning of wages, the travelling back and forward to the mines, that is the most potent solvent of the old customary life. The African seems to have thrown out none of those protective processes, based on a strong social or religious organisation, which characterised the first reaction of the East to Western influences. This initial resistance served at all events to secure that in Asia the process of adjustment should be achieved by gradual stages. It is clearly dangerous that large masses of people, whose whole standards of life and conduct are typical of one stage of civilisation, should be hurried into another, before the conceptions which regulate the latter can become in any true sense a part of their lives. The outstanding problem of Africa lies, to my mind, in the proper regulation of this period of adjustment. It is the fact that this problem is common to so large a part of Africa which gives Africa its character as a single unit.

That is a wide generalisation, and I am old enough to dislike the modern habit of taking off one's hat to general principles, and then passing on one's way. What would the concrete expression of this principle involve? It would involve in some cases taking a new view of the use to be made of native customary institutions. It would certainly involve the necessity of examining from a new angle the systems of law and of land tenure which are now being introduced into Africa. It might involve in some cases the necessity of curtailing the supply of labour available for industrial employment. It would certainly involve the revision of some of the existing conceptions regarding education.

But this brings me to a second point. Africa may be in essentials one, but its development lies at the moment in the hands of a variety of European nations. Except Egypt and Liberia, there is no territory which is not in the hands of some European nation or another. What is the chance that these nations would agree to consider a common policy for dealing with this common problem? The recent discussions about the German colonies have had many unhappy results. They have led some British people to extol our management of our colonies in terms which would beggar the most spectacular performances of the Pharisees. But the discussion on this subject has at least had one good effect.

People here have at least come to realise that Africa presents a common problem, and have found time to consider whether an alternative to territorial transfer could not be found in some system of common management. This might, it has been suggested, take either the form of an extension of the Mandate system or the adoption of a *consortium* of all the colonial Powers concerned, for the purposes of carrying on a joint administration. It has been recalled that the Congo Basin Convention of 1885 did in effect embody a common agreement on certain defined points. Is it likely that the adoption of any of these schemes would yield agreement on the fundamental points of the type of those to which I have referred?

We must for this purpose exclude South Africa from our calculations; the existence of a white population of two millions, marked by somewhat high standards of living, side by side with the native population, gives rise to problems which are unique in Africa. In other parts of Africa there might not be great difficulty in securing agreement to provisions similar to those embodied in the present Mandates, such as economic equality for all members of the consortium or even for a wider range of nations; they would probably agree to restrictions on the expropriation of native lands, or the recognition of the freedom of conscience, or the prohibition of the raising of armed forces. These are all salutary provisions, but are in a sense of a negative character. Would it be equally easy to secure agreement on the more positive aspects of African development, such for example as the nature of the political institutions to which the native is to be admitted, or the extent to which native institutions are to be respected and maintained, or the weight to be given to native law or land custom? We have devoted a good deal of space in the *Survey* in explaining the different points of view held on these questions. We must not exaggerate these differences. If anyone were rash enough to push the principle of indirect rule to its logical conclusion, he might well believe that it is destined to perpetuate for all time the Chief and his Council, merely substituting the top hat for the leopard-skin and the football pool for the family fetish. On the same showing, the logical outcome of the French system would be a coloured gentleman with a Parisian accent and a habit of going to funerals in full evening dress. The Belgian product would be a well-fed working man, trained upon scientific but quite humane principles to earn the maximum of dividends for the State-run enterprise which employs him. But, as I have said, we must not push these distinctions too far. The British use of the Chief and

Council and other traditional institutions, as the basis on which to build social and political development is, I believe, of the very greatest value in facilitating a gradual and balanced process of adjustment to new conditions. But the maintenance of the native institution is not an end in itself. If the native institutions maintained by us, such as the Chief and his Council, can successfully discharge their function as agencies through which we can introduce the native to modern civilisation, then they will inevitably be transformed in the process, even if they do not entirely disappear. Again, the French ideal is no longer one of assimilation, but, as they now term it, association, and it is not the mass of people, but a small class of selected and educated men, who are now expected to share fully in French life and culture. The fact, of course, is that whether in the British, French or Belgian territories, we are beginning to find that the African himself must be an increasing factor in determining his own future. It would not be astonishing if in British territories he foresaw a future in which his tribal institutions bore no substantial position as a political factor nor any considerable part in a scheme of administration. It would, again, hardly be natural that he should, in the long run, consent to regard himself as more of a Frenchman than an African. There will doubtless be some meeting-point in those different ideals, though where it will come, we cannot now prophesy.

I fear that I have allowed myself to be taken beyond my point. It was this : that however cordial the consortium, it would not be easy to go beyond the régime of negative prescriptions which create the substance of the existing Mandates. It would be difficult to find a common policy in regard to the problems of political and social organisation, of education, of law and land systems—most of the constructive problems, in short, which are now becoming of vital importance in African administration.

We must apparently be content to see Africa developed in some of the most material matters under the influence of different philosophies. I should much doubt whether we could even expect to see any rectification of the absurd national boundaries which now cut tribes in half and are as embarrassing in an economic as they are in a social sense. We may perhaps pluck one consolation from this situation (though I admit it is not one which conveys much comfort) : I mean that the existence of this diversity of philosophies of rule may at all events have some value as a process in the experimental method of trial and error.

But this brings me to my third point. What is the contribu-

tion which the African himself is likely to make to the development of African society of the future? It is clear that his contribution cannot be limited to sisal, ground-nuts and palm oil. You must excuse me if I try to grope my way here by enumerating a series of negatives. We are hardly likely to find that his contribution lies along the development of what so many people seem to consider to be his peculiar characteristic, the communal holding of property and the existence of an equalitarian society. As a matter of fact these terms can be applied only in a very restricted sense to African society; but so far as they extend to it, they must be viewed as the outcome of economic circumstances rather than as proof of any deep-seated social tendency. The world has often enough seen similar phenomena in the past, and they have yielded to precisely the same kind of influences as those to which the African is now being subjected. Already the growing of economic crops on the west coast and the close association with Europeans on part of the east coast, have led to the individual holding of land and to its mortgage and transfer. In many parts the earning of wages by workers in European industries, if nothing else, is beginning to establish a process of differentiation in native society. Perhaps the African was always a little more of an individualist than many have thought; the tribal, clan and family affiliations were no doubt strong; but there must have been a good deal of original human nature still subsisting. In any case, there now seems no reason why the African should not become in time as fully individualistic as we are.

As I have already suggested, when native institutions, such as the Chief and Council, have fulfilled their function as agencies through which development is effected, they will tend to pass away. In that case the tribe and the clan are likely to retain only a religious and social significance. In attempting further speculation, we are inevitably brought up against that most difficult and most controversial of all questions, the capacity of the African native. Our *Survey* stated, and so far no one has directly traversed the statement, that no material of any scientific value exists for measuring the capacity of the African as compared with the European peoples. We do not, of course, want to know his capacity to make the best of his present environment. We want to know whether he has the ability to make the most of life in the new circumstances to which we are introducing him. It is possible that the sociological inquirer may be able to help us here with observations on the effect of culture contacts on the African; but I do not myself believe that we shall be able to speak with

any confidence on the subject till we have had some generations of experience of the African reaction to new conditions.

There are some who have suggested that an indication of the possible development of the African society of the future may be found in the position occupied by the negro community in the United States. Whatever may have been their treatment in the slave days, education, including that of a higher academic type, has at a later date been made fully available to them. If restrictions have been placed on their entry into the social life of the country, the bar to their making good in its industrial life is now one which arises only from lack of capital, or credit, and the like. As a result, they have entered very fully into the industrial economy of the States, and have indeed now become an urbanised instead of a rural and agricultural community. It remains, however, a significant fact that they have not risen much above the lower stages in industry, nor made any great progress in the professions. The experience of ex-slave States such as Hayti and Liberia has been very far from fortunate. How far can we allow that those precedents will help us in estimating the future of Africans under the different conditions which regulate development in Africa to-day? The British system, for instance, aims at giving to its subjects an education in political responsibility. The French does not at present set out to assign to Africans the same political future as the British system, or quite the same position in the professions or trade, but it would at all events associate selected Africans very fully in the work of the administration. The Belgians have a definite policy of encouraging natives to fill any post in industry to which they have capacity to attain. All these conditions are essentially different from those under which the negro started in America. I think we can only say that the situation of the negro in the United States, Hayti and Liberia must always cause us some hesitation and uneasiness. But it cannot be regarded as supplying a decisive indication of the nature of the development which he is likely to attain in Africa.

What is the nature of the contribution which the British occupation is making to the development of Africa? I frequently meet people who deny that the British public has a colonial conscience. I quite admit that, like every other colonial Power, we have some pages of our colonial history which we would prefer to forget. But there is in Great Britain to-day a large public with a very genuine interest in colonial questions, much better informed on the realities of colonial conditions than is the public

of most other European nations. Our public is by no means illiberal or unduly commercial-minded in its views on colonial matters. Speaking to such a public, I should myself put to it a number of points which I can best sum up as follows. In the first place, there seems to me a certain lack of concerted planning in our management of the colonies. This was of less account at an earlier stage of colonial history than it is to-day. We are no longer faced with the problems connected with the introduction of law and order, etc., but we have to deal with the far-reaching and complicated problems which are involved in the development of the social services and of social organisations. The *Survey* has discussed the proposal put forward for a Colonial Council, based on the analogy of the Council of India, but has suggested, as a preferable alternative, the creation of a Standing Committee of Parliament, with an obligation to report periodically on the affairs of each colony. But such a body would not initiate policy, however much it might influence it. My own feeling is that the Colonial Office has so many units to deal with, of so varied a character, that the consideration of large-scale questions of general policy will always present a difficulty to it. It has not the advantage enjoyed by the India Office, that questions of general policy are first examined by the Governor-General in Council, a corporate body which contains both Europeans of long experience and Indians versed in political life. That body has itself the advantage of the previous discussions by the Provincial Governors and their Councils or Ministries. Again, those who direct colonial policy have not the advantage of guidance such as that given by the numerous authoritative commissions which have during the last half-century examined almost every aspect of Indian political and administrative life. Let me give only two illustrations of matters in which policy appears not to have been fully considered, or, if considered, has not been communicated to the public. The British policy looks towards the establishment of self-government in the Crown Colonies. But we have had to point out that no real attempt has been made to solve the obvious incompatibility of a system of responsible government with the maintenance of the interests of a European minority on the one hand and a native majority on the other. Either there must be very substantial checks on the autonomy of the local government, or one of the two communities must be over-ridden by the other. Further, the rapid development of a system of indirect rule, though not necessarily incompatible with the evolution of parliamentary institutions, can nevertheless take a course which may hamper

their introduction. We should at least know how it is proposed to integrate the two systems. Once again, there has been no comprehensive statement of the policy which is to be observed in regard to the employment of Africans, a matter to which I shall have to refer again later on.

While these matters of major policy can only be settled after comprehensive and authoritative deliberations, there are many matters of administrative concern with which the Colonial Office seems to me at some disadvantage in dealing under the present system. I do not believe myself that African administration will ever be on a satisfactory basis until both East and West Africa each has its own federated system of government. I know the difficulties of this proposition, but I refuse to believe that any such problem is insoluble to the constitutional carpenters and joiners who have pieced together the scheme for the federation of India.

I take another point: the British people must realise that we ought to be more liberal in our attitude to the need for financing colonial development. I do not question that we are serious in speaking, as we so often speak, of our spirit of trusteeship. But I sometimes wish that we could place our hands on our hearts a little less, and set them to explore our pockets a little more. It is all very well for Great Britain to hold out to the African the priceless boon of self-government. We had to fight for our liberties ourselves, and perhaps we find it difficult to believe that the path to health, happiness, or perhaps even heaven, does not lie in the possession of a vote. But political advance is not enough. Africa needs a great deal of money spent on it before its inhabitants can attain reasonably satisfactory standards of nutrition, of health and of social life. It is clear that in many cases the money for development can only come from Imperial grants. I realise that since 1929 we have spent every year on the colonies of the Empire, by way of loans and grants, sums varying from about three-quarters of a million to nearly a million pounds a year. But more than this is required. I hope, in particular, that in the future the colonies will not be obliged to go to the open market for long-term loans. Some of these loans, carrying a high rate of interest, are already hanging like millstones round their necks. Obviously they ought to get loan money from the Imperial exchequer, paying only the interest which Great Britain itself would be paying from time to time.

Thirdly, we need a more informed and systematic study of colonial questions. I will not repeat here what has already been

said at some length in the *Survey*. I admit the great improvement that has been made by the appointment of technical advisory committees to guide the Colonial Office. Again, increasing attention has been given to Africa by such bodies as the Medical Research Council and the Economic Advisory Council, which has taken part in initiating research into nutrition questions. We owe much to the research into social and linguistic questions by the universities in South Africa, and by the bodies in Great Britain which have benefited by American benefactions given for this purpose. But there is still great leeway to make up. Consider only one point. What do our great universities do for the special study of colonial problems? Holland has some twelve professorships devoted entirely to studies in colonial law, economics, sociology and the like. It has a degree course in colonial studies. I need not dilate on the very inadequate bag which would be made by anyone who tried to hunt out what the British universities are doing for the colonies. I remember the appeal lately issued by Oxford for the endowment of a general research fund. It spoke pathetically, among other things, of the need of a special survey of hedgehog mortality. I should have liked it better if the university had shown that it even suspected that special study and special research were required for colonial questions.

Let me turn to some aspects of administrative policy in Africa itself, as regards their bearing on the contribution which we are making to the life of our colonies and their future. One can never suggest that topic without harking back to that standing dish of African controversy, I mean, the debate into the comparative merits of direct and indirect rule. It is a misfortune that the partisans of either system are apt to support their preferences with a confidence that is almost theological in its fervour. The principle of indirect rule has, in particular, passed through the stages, first, of a useful administrative device, then that of a political doctrine, and finally that of a religious dogma. I have already spoken of the value which must be attached to a system of indirect rule as allowing of a more gradual adjustment of native life to the requirements of modern civilisation. For myself, indeed, my preference for this system over that of the French is based largely on considerations of this kind. But purely as a piece of administrative machinery, it is probably less efficient than a well-organised system of direct administration. That seems to be inevitable in any system which sets out to train a primitive people in responsibility for managing their own affairs,

in preference to allowing Europeans to manage their affairs for them. But we must not act as if the system had come to us graven on tablets of brass. We must be prepared to modify it without hesitation as circumstances seem to require, and to substitute a system of direct administration in any area in which it seems unable to support the burden placed upon it.

I make in this connection a second point. I think that our governments have shown themselves unduly slow to realise the necessity of educating Africans not merely to take the routine of administration off the shoulders of the European officer, but to take part, in a more real sense, in the actual work of administration. It is frequently argued that it will be unnecessary to bring Africans into the administration, because the native authorities are already there as subordinate agencies of Government. That is a short-sighted view. You will find that as administration grows more complex, and as the need for the extension of social services increases, you must be continually weeding out your weaker native authorities and introducing direct control. There is therefore already a much wider scope for the native official than is usually supposed.

I make a third point. We British have hitherto found ourselves happiest in dealing with the more primitive classes of people, and feel that our greatest successes have been in our relations with them. Our present system of administration in Africa is in itself almost an expression of that feeling. But we must guard against allowing our preference for this class to influence our view of Africa's political future. I am not here going to hold up India either as a tragic proof of the folly of extending higher education, or, on the other hand, as a perfect lesson in the method of evolving a system suited to an Oriental people. All I am concerned to point out here, is that we have already made a beginning in the introduction of higher education in Africa. Unless we propose strictly to ration the supply of higher education on the French system, it will continue to expand; indeed, if we do not provide facilities for its growth, the Africans will probably manage to do so themselves. At present our policy is to give a vocational or professional content to higher education, rather than that it should be of a general, or, to use the stock but inaccurate term, of a literary character. In present circumstances that no doubt is wise. But we must not suppose that we shall prevent Africans from becoming politically minded, merely because they may take a diploma in engineering, law or medicine, instead of a degree in history or literature. In any case, when

it comes to a contest for influence between the educated man and the man whose only authority is traditional, it is always the educated man who will win in the long run, even in Africa. Prudence seems to lie therefore in securing the early association of educated Africans with our administrative institutions. If we do not do so, there will inevitably arise a state of tension which, sooner or later, we shall have to meet by large-scale political concessions. And in that case, they will not necessarily be made either in the right way, or to the right class, or with the best result for all the people concerned.

Summary of Discussion.

Mr. CHARLES RODEN BUXTON said that it was of enormous importance that the person who had undertaken the gigantic task of the African Survey should have been a distinguished Civil Servant from India. Africa had an immense amount to learn from India. There was the very small example of contract labour—and many others which could be given. Then the fact that the lecturer had been able to approach the problems of Africa without prepossessions, with a free and open mind, was of the utmost value.

The lecturer had mentioned at the close of his remarks " large-scale political concessions." The Gold Coast, which was the least backward politically of the British African colonies, was to-day approaching that stage in which India had been seventy or eighty years ago. At that time the educated Indian, the man with a degree, who talked about John Stuart Mill, had been laughed at. To-day the same people were being laughed at on the Gold Coast. But they were the forerunners of people who would probably play a great part in the administration of Africa. Yet at present little preparation was being made for them, and it was right to say that we must begin to think in terms of " large-scale political concessions " in Africa.

MR. TRACY PHILIPPS said that there was between India and Africa one fundamental and abysmal difference among many. The inhabitants of India had the immeasurable advantage of an ancient and rich civilisation and still more of indigenous religions which they had not lost. Therein lay the whole tragedy of Africa. To take another small point which led up to it, higher education had inordinately occupied the attention of the Government in recent years. Secondly, there had never been a time in the history of any colonial Power in which its people had been so deeply concerned as to their duty to the still-subject colonial populations as were the British people to-day. But surely in the colonies it was of little avail to throw out and broaden the upper storey of a great and spacious house if at the same time there were not planted beneath it massive and solid pillars upon which this perilously top-heavy structure might safely stand. It was neces-

sary to start from the roots upwards. The roots of a nation, that is, the youth of the mass of the people must receive a careful, simple and practical education. Compulsory and universal education constituted the pillars which must be thrown out so that the heavy structure of higher and upper education might be able to stand firmly and securely upon its base.

Thirdly, the mass of the people of Africa were completely unrepresented to-day. It was in Africa a commonplace to hear their conviction that their Chiefs had "become the scullions, the office boys, of the Europeans." As felt by the masses, there was really no fundamental difference between so-called direct and indirect rule. The deep problem was that the Animists of Africa (and Animism was the religion of both Greece and Rome in the heydey of their power), who were more "spiritual" peoples than Europeans, if they had not already lost, were rapidly losing all faith, faith in God and, what was almost worse, faith in Man, that is, in themselves. So far, Christianity had in practice sadly failed to meet the case. There was no reason why it should not meet the case, and every reason why it should. It might do so in the future, but so far, alas, it had failed. It should be remembered that the evolving non-Moslem African south of the Sahara had definitely opted for Europeanism. But he had not opted for the infliction upon him, by the national Powers of Europe, of half a dozen conflicting chauvinisms. He had not opted for Gallicism or for Germanism or for Anglicanism, but for Europeanism. And that was a wider and a very different thing. The religion of Europe was after all Christianity. It had come to Europe from Palestine. St. Paul, Jew but full citizen of the Empire, dejudaised, hellenised, latinised, Europeanised and drastically restated the original Asian Christianity for presentation in attractive and effective form to the natives of Europe. And this religion which it had become to-day had totally failed to grip the African in the way in which it might have done as preached overseas by the great prophets of Christianity at the outset. Christianity and its success as a new moral basis of life was not introduced from Asia to Europe by a rich or ruling class of foreigners. It was, on the contrary, presented in native form by the poor—who practised it.

If Christianity in Africa were to succeed in giving a moral foundation to its people it would, while retaining its original essentials, have to be completely restated for Africans in quite new terms. Such restatement did not need cleverness. But it required moral courage, sincerity and Christian simplicity. Herein lay the real danger to the masses of giving more European-type power to African Chiefs if they had not the moral stamina or sense of responsibility to use it properly for the just governance of their fellow-men. The great problem of Europe itself at the present time was that scientific and inventive and material progress had outstripped the moral progress of mankind. Thus the stupendous power of the creations of science were now placed in the hands of men whose moral progress had not advanced *pari-passu* with their material progress. Surely it was the misfortune of the

Africans that, with the best intentions, the Europeans were intent on pressing into their undiscriminatingly eager hands a European-type power which they had never known before and expecting Black Africans at once to utilise it as a Civil Servant in England, checked by the inexorable law of public opinion, is expected to do as a matter of course. They did not possess the necessary moral basis, and it was for Europe to give it to them by restating Christianity, the religion for which they had indirectly opted, but which so far had utterly failed to reach and react upon the moral roots of their beings whence all human conduct springs.

In short, if Christianity was incapable of replacing the stern if narrow clan-moralities with an equally effective wider way of life and sense of moral responsibility, Europe in broadcasting European instruction was running the risk of pressing prematurely the stupendous power and machines of European science into the hands of unmoralised millions. If Christianity was unable firmly to relay the deep foundations of moral practice, the still undespiritualised and undepersonalised peoples, unused to the licence of liberty, peoples whose African faith we had destroyed and had not yet effectively and "Europeanly" renewed, would be tempted to substitute for their Great Spirit and Great Chief the deification of a racial Dictator-Liberator. To deceive themselves was not fair on British or on Africans. British India might seem superficially to offer a few analogies to British Africa. India and Africa were more clearly contradictory to each other. Ex-colonial sub-tropical Indo-America, between the same latitudes, was the only sister-continent to Africa.

MISS OAKELEY asked whether it was of benefit to the Africans to come to the British universities. She had known a few African students at a university, and had been impressed with the difference between them and the Indian students who seemed certainly intellectually our equals. The Africans seemed to possess a great disadvantage in the matter of language. Their own languages being so very different from the Aryan group, their inherited modes of speech and connected ideas were different. She thought it remarkable that, although they did not do brilliantly, they did as well as they did in the university work, especially in such a subject as philosophy. She had received letters from one student now a lawyer on the Gold Coast. He had expressed the wish to become a Civil Servant. Were positions in the Civil Service being increased for educated Africans?

A MEMBER said that as a tourist in Africa, he had considered that the African administration needed much more money for the purpose of giving better education and health services. These services were better in the Belgian Congo than elsewhere in Africa. A ward was not expected to earn the money for his education, and those who congratulated themselves upon their understanding of the principle of trusteeship should see that more money went into the colonial services.

MR. JOSEPH NISSIM said that in certain parts of Africa the British administration had been very successful. In Egypt it had been so successful that the Egyptians were now managing their own affairs with British military assistance in times of trouble. The lecturer's suggestion for the necessity of some administrative development, either of federation in the east or in the west or by a Council of State, to assist the Secretary of State for the Colonies was of the very greatest value. However, was it not true that the material progress of the British colonies and mandated territories was at a higher level each year? It was to be hoped that the advent of air traffic would solve some of the problems in Africa raised by distance and isolation. The need for medical schools had not, apparently, been mentioned, but all must be aware of the need for improving the physical welfare of the African.

Concerning finance it was to be hoped that British Africa was accumulating wealth in many directions, by the production of gold in South Africa, cocoa in the Gold Coast, ground-nuts in Nigeria, cotton in Kenya and Uganda, tobacco in Nyasaland, copper in Northern Rhodesia, tobacco in Southern Rhodesia. Was the lecturer, therefore, really justified in painting a somewhat gloomy picture which left the listener rather depressed as to the past?

PROFESSOR J. HENRY RICHARDSON said that he had been particularly interested in the different methods of colonial administration of the various European Powers in control of African colonies. He would like to refer to one method by which these divergent methods might be brought into co-ordination. That was the method of international conventions or agreements based on consultation. This method was being used by the International Labour Organisation. A convention had already been adopted on the regulation of forced labour, and at the Conference in 1939 the question of contracts of employment of indigenous workers and penal sanctions in such contracts would be considered by the organisation with a view to adopting draft conventions. Similarly, conventions or agreements might be elaborated with regard to education, land tenure, the health services, the use of finance for the development of industry, trade, transportation and communication—the method could, in fact, be applied over a wide social and economic field.

The lecturer had mentioned developments which had taken place in Europe and which might be expected to take place in the future in Africa, such as industrialisation, the break-up of the tribe and the extension of individualism. All these changes involved dangers as well as benefits. Might it not be possible in Africa to avoid many of the evils from which Europe had suffered during her industrial and social evolution by introducing safeguards the value of which Europe had discovered as a result of bitter experience? He also considered that the "control" aspect of European Government in Africa should be progressively diminished and advisory functions increased.

QUESTION : Ought not the Mandates Commission to take a more active part in the direction of policy in Mandated Territories than it had done in the past?

MR. F. B. GEIDT said that he had heard that the administration in Tanganyika Territory found itself under some difficulty because of the fact that that territory was Mandated. There seemed to be a feeling that the Mandatory Power was in some way curbed by the terms of the Mandate and did not possess the same initiative as, for instance, the Government of Kenya Colony. Of course, while there was any question about the return of Tanganyika to Germany, there must be anxiety which would retard the development of the country. Did the Mandatory system make it more difficult for the governing Power to administer a territory?

The lecturer had seemed to suggest that money had been lent to the African colonies at usurious rates of interest, but a great deal of money borrowed for the development of those territories had been raised on the same terms as British Government loans. The terms of the loans might not have been very well chosen, in that they might have had a somewhat long life, but this was not so in every case and the British Government still had a five per cent. loan outstanding which was not yet due for repayment.

LORD HAILEY, in dealing with the question whether a territory were under a disability if under a Mandate, remarked that at the moment Tanganyika was under the natural disability of being unable to raise much credit owing to the anxiety occasioned by the German demands. Apart from this the terms of the Mandate were usually negative rather than positive, the one positive term being that there should be economic equality for all members of the League of Nations within that area. In some ways this was a disability, because it made it impossible for the territory to conclude trade agreements with a country which would be prepared to give preference to its exports. However, this did not hit a colony very hard, as it mostly exported metals or raw materials. As regards the Mandate System generally, the Mandates Commission did not initiate or even control policy, its function being largely confined to seeing that certain negative prescriptions were carried out. It relied for its information on the reports of the administrations themselves and on petitions sent to it; this meant that the information which it received was not always of the best. But the procedure had one positive virtue, it did afford a means of publicity. Most colonies had no organised agency of public opinion, and it was consequently important that publicity should be given in some other manner to the actions of the administration.

On a second point raised, it was true that the money lent to the British colonies had not been lent at usurious rates. The loans had usually been guaranteed by the British Government, but he had been referring more to the length of their tenure and the practical im-

possibility of repaying them before due date. In an ideal system the colony would have the advantage of the same rate of interest as that prevailing in Great Britain, and get the benefit of conversion proceedings.

It would be difficult for the Mandates Commission to take a more direct share of the administration, because it was a body of people drawn from different nations, many of whom were not acquainted at all with colonial administration, and it was difficult to see how such a mixed body could come to any consistent conclusions abont matters such as education and social and political organisation.

Could Africa be saved from any of the results of European civilisation? There was an obvious danger in applying industrialisation and many other different aspects of European civilisation very rapidly or extensively to Africa. It was for this reason that he had made a plea for any system which would allow the pace of adjustment to be steadied down. Again some things might easily be spared her, for instance agricultural debt, which had been the failure of British administration in India. Under an enlightened system it should be possible to avoid some of the evils of industrialisation.

Concerning the greater co-ordination of methods of administration, the example of the Forced Labour and Labour Contract Convention had been mentioned. They were valuable, but it must be realised that all such international conventions were bound to be of a more or less negative character. It was perhaps easier to secure co-ordination with regard to scientific and technical matters.

It was suggested that his picture of Africa was very depressing. He had certainly not intended this. Considering the short time during which the African colonies had been under a regular form of administration, the enormous difficulties created by the great distances, the low taxable capacity of most of the population, he thought that the achievement in Africa had been little short of wonderful. If this was due to the traditions of rule which Great Britain had formed elsewhere, it was due in some measure also to the African himself. The African had shown himself extraordinarily ready to adopt any improvement. He had also shown himself exceptionally free from prejudices against European systems. It had been suggested during the evening that the African was poverty-stricken and ill-nurtured. It was true that the greater part of Africa was suffering from malnutrition, and therefore highly susceptible to disease. But poverty was always a relative fact. The population was sparse and was often, therefore, individually better off than the inhabitants of congested districts in India.

Again, as one speaker had said, a great deal more money was certainly needed for the British social services. It was difficult to say that they were inferior to those of Belgium, but the systems were very different. The latter relied little on hospitals, but concentrated on a highly intensive system of medical attention, clearing up one district after the other, an almost military system of medical attention. This was undoubtedly very spectacular and effective within its own range of work.

He had been asked if it was an advantage for Africans to come to British universities. At present they had no alternative, as the universities in Africa were only just beginning. There was one being started on the east coast, at Makerere in Uganda, also one on the west coast, at Jaba, but they were not able to give degrees in medicine, for instance, and for this purpose African students had to come to Europe. The openings for educated Africans were greater on the west coast than elsewhere. There were now some thirty qualified native doctors practising on the Gold Coast and others in Nigeria, and also in Sierra Leone. There were also on the Gold Coast a certain number of African judges and magistrates. The difficulty was that there was as yet no regular system by which Africans were taken into the higher services, so that a man going to a university never knew whether there would be a place for him if he were successful in an academic sense.

It was true that there was no organised opinion in Africa. It was therefore all the more necessary that educated opinion should be brought into association with British administration wherever that was possible. Popular education was now being given in the vernacular, and was receiving more and more of an African bias, to use the term usually employed. So far as mass education was concerned, he felt it to be on the right lines; there was, of course, the usual difficulty that there was not enough of it.

It was true that on the Gold Coast one could find the nearest analogy to what India had been many years ago. Up-country, in Ashanti for instance, the situation was rather different. Still he agreed that educated Africans, and not the chieftains in the hinterland, would be the makers of African opinion. It was often wrongly assumed that opinion would continue to be regulated by traditional authorities. It was the educated man who moulded opinion. It was no use thinking that by giving power to the traditional chiefs such problems as those now arising in India could be avoided. It was the educated class which ultimately had chief influence over native opinion and which in any crisis took control. The inevitable lesson was, that the sooner it was possible to get them into the administrative, and finally into the political system, the more likely was it that that state of tension which had so frequently arisen in British areas would be avoided. When educated people felt themselves neglected and estranged, they became affected with a feeling which started as resentment, but turned into animosity, and was finally in danger of becoming racial hatred.

THE "SECOND PHASE" OF CHINA'S STRUGGLE[1]

By PROFESSOR CHANG PENG-CHUN.

I WAS at home in China from October 5th to January 6th last—exactly three months—and it may be of some interest to you if I simply relate my impressions of that time. These three months may be considered as very significant in this period of our history. The withdrawal of Chinese troops from Canton and Hankow took place, roughly speaking, around the latter part of October. Then there was a period of about forty days when the country was considering the next step and also preparing for what is now called the "second phase" in our struggle. And the outline of the new plans became clear by about the beginning of December. Towards the latter part of December a certain episode in connection with the sudden departure of Wang Ching-wei from Chungking occurred, and that episode was concluded by the first part of January. So perhaps, as these three months had a beginning, a middle and an end, they may be treated as a unit.

When I reached Chungking on October 10th, I heard that the defence around Hankow was in good condition. With the expected reinforcement, Chinese forces would be able to hold Hankow for quite a long period—at least till the end of the year. However, with the loss of Canton, the defence of Hankow became less significant. Plans to evacuate were put into action around the middle of October, and by about the 24th of October the Chinese forces had finally withdrawn—this time in a much more efficient manner than had been the case in connection with the two earlier experiences, namely the withdrawal from Shanghai and later the withdrawal from the Hsuchow area. The industrial plants in Hankow and Wuchang were dismantled. The man who was responsible for that task told me that roughly about 80 per cent. of the industrial plants in the whole area were systematically shipped out, first to Ichang up the river and then later on to Chungking and other points, to be reinstalled in the western area.

[1] Address given at Chatham House on January 25th, 1939; Sir John Pratt, K.B.E., C.M.G., in the Chair.

For a period of forty days after the withdrawal from Hankow I should say that on the part of those who were not well informed there was a certain amount of concern as to what would come next. During that period the Generalissimo was inspecting the different places. He visited practically all the troops from Canton and around Canton to the upper part of the Yangtze river near Ichang. The Japanese war-planes followed him on most of these adventures, and he travelled by aeroplane, train and motor and sometimes on foot. On several occasions the Japanese bombers missed him by only a few minutes, arriving either before the Generalissimo had come to a place or else just a few minutes after he had left.

During that period a meeting of the People's Political Council took place in Chungking. As you may perhaps have read, the Council was called together for its first session in July in Hankow. The second session was held in Chungking on October 28th and lasted for ten days. The Council is a sort of gathering of people, representing different parts of the country and different occupations, supposedly having some weight in public opinion in China. It was quite surprising that out of a total membership of two hundred, nearly a hundred and forty came from widely separated parts of the country. Some of them travelled quite a long distance and under difficult circumstances. During the session of the People's Political Council reports were made by the members of the Government concerning economic reconstruction, political readjustment and the military situation, but I think it must be said frankly that there were questions which the Government was not yet prepared to answer very clearly and definitely at that time.

When the Generalissimo came back to Chungking on December 8th the military situation became clearer to the people at the capital. Conferences took place immediately and active steps were taken for the execution of different activities. Now, among the things the Generalissimo did during his forty-day tour of inspection was the calling of a Military Conference at Nanyueh, where practically all of the important leaders and generals were gathered and where discussions took place concerning the next phase of the war. Those things became clear to us in Chungking after the Generalissimo and his staff returned to Chungking, and then we were able to see what was implied in the " second phase " of China's war of resistance.

What, after all, is meant by the " second phase "? What are its special characteristics? How do we distinguish the first

from the second phase in China's struggle? The first phase is usually taken to include the three outstanding battles—the battle of Shanghai, the battle of Hsuchow, and the battle of Hankow. The battle of Shanghai began, as you will remember, in August 1937 and lasted for more than three months. The battle of Hsuchow began about March 1938 and lasted till about June 1938. Then the battle of Hankow followed. The chief characteristics of that phase were, first, that the Chinese armies were on the defensive in each instance. Secondly, the Chinese armies were being tried under fire. It was very gratifying indeed to find that the new Chinese forces were able to stand a beating, were able to make tremendous sacrifices, and were able to hold the lines much longer than had been expected by the Japanese or anybody else, including ourselves. Then another characteristic of that phase was the development of guerilla warfare in different parts of the country, especially in the invaded areas.

May I say here that we can now see very clearly the attempts on the part of Japan to subdue China. First an attempt was made to subdue China without having to fight. The Japanese tried that by bringing pressure to bear upon China for a period of six years, roughly from 1931 to 1937. Then came the second attempt which aimed at subduing China by quick action and quick decision. The Japanese announced to the world that they would be able to destroy the main forces of China in three weeks, but they were unsuccessful. In their third attempt they tried in Hsuchow, and also around Hankow, to surround the Chinese forces and to destroy their effectiveness. Here, too, they were unsuccessful. You know the Japanese have a way of using words from the Western world to signify what they intend to do. In connection with this third method they used the word " Tannenberg " a little too profusely. I think if you followed the news reports of last year you must have noticed that on at least four or five occasions the Japanese proclaimed that they were going to " execute a Tannenberg." But somehow it did not work.

Now the characteristics of the first phase were defence and testing the Chinese forces to see whether they would be able to stand a good beating. Of course we know that in the training of any fighting team it is much more important, especially for an inexperienced team, to go through fire than to strike back. If these new forces, as surely has proven to be true, were able to stand a beating in a valorous spirit, surely the time will come when they will be able to execute some positive action in an effective manner.

Then what do we mean to do during the "second phase"? After Hankow there will be no further opportunity for the Japanese to surround the main part of the Chinese forces and exterminate them, because in future there will be no centre where it will be possible to gather together such a large force. Around the Hankow defence area there was concentrated roughly about eight hundred thousand Chinese troops—perhaps the largest single command that has ever been assembled together in Chinese history in terms of direct control. Of course there have been wars in Chinese history when more people were engaged, but not under one command in one battle area. In future there will be no such large concentrations on the Chinese side, and I think the Japanese High Command is somewhat exasperated by the situation. From now on the Chinese forces will be divided into roughly three parts. One third of them will be engaged in mobile fighting—not exactly guerilla warfare but in mobile *fighting in the "invaded" Eastern and Central Provinces.* I think you must have noticed I have avoided using the term "occupied areas"? The reason for this is that there are no such areas in China. There are occupied points and also some occupied lines, but there are no occupied areas. One third of the Chinese forces will be sent to the invaded areas behind the Japanese points of advance. They will be in that area near to the Eastern Coast. Another third of the forces will be engaged in the middle of the country to meet the points of Japanese advance, and the remaining one third of the forces will be in training in the western part of the country.

The total number of Chinese forces to-day is about two hundred and forty divisions or two million and four hundred thousand men. Therefore not only has the Chinese army gained more experience through fighting, but there are larger numbers engaged than when the war started. Officers' training corps have been established in different parts in the Western Provinces. At these various centres, roughly speaking, about thirty thousand men are being trained as officers. That is part of the preparation on the training side.

Furthermore, the emphasis will now be on two things. The first is what the Generalissimo calls "making space take the place of time," or "space for time"; the second is characterised by the phrase, "the countryside versus the cities." Now I will explain these two phrases a little. First, "space for time." Those of you who have travelled in China know its tremendous, unwieldy size. Many of us Chinese who lived on the eastern

coast had no conception of the size and potentialities of the western part of the country. But this war has brought all the comparatively modern elements on the seaboard to inland places. It has really given us a sense of space. If China had not had this space, the character of the war would have been entirely different. If the Chinese military leaders had not realised the use of space in this war of resistance, they would not be able to feel so confident as they do to-day. In other words, the emphasis is laid upon mobility and on the tremendous reserves in man-power in a country so large as China. And of course that is annoying to the Japanese. The Japanese army, as we know, was modernised and trained under Prussian influence after the Franco-Prussian War. They learned their lessons rather well, but I think, rather uncritically. They organised their army along the lines of fighting another force with about the same weapons, desiring the same type of objectives, and also employing the same type of psychological tactical moves. They tried it out on the Imperial Russian Army in 1904 and 1905. Fortunately that war was brought to a close quickly, because at that time there was still enough statesmanship in Japan to see that a prolonged struggle would not be beneficial to Japan at all. Unfortunately to-day there is not that statesmanship in Japan. I hope I am not speaking in a partisan spirit. I think that is an objective fact which even the Japanese recognise. There is no clear leadership anywhere in Japan. This military success on the part of Japan surprised the Western world, and gave to Japan a glamour which was perhaps not justified if viewed objectively. But, as you know, glamour has a way of lingering long after the event which gave rise to it. And so the world somehow acquired an idea of the invincibility of the Japanese army.

When this war of resistance in China began, we were therefore in a favourable position, for, you know, it is most comfortable when your friends do not expect too much of you. And so when the Japanese army came, people were sympathetic, but were afraid that we might be beaten "to our knees." We were able to put up some fighting, however, and people thought that after all it was not so bad. Meanwhile, the Japanese army were still using the same type of psychological tactical moves as they had previously been trained to use. In other words, they were trying to strike with a certain degree of speed, a certain degree of what we might call efficient control, and moving the army about with a certain degree of self-confidence. That type of fighting was quite correct, I suppose, when the other side was also

trying to fight with the same type of what I might call "expressive" tactics but not retreating tactics. Now, meeting Chinese resistance is really not like one fist pushing against another; that is an inadequate figure, because the calculation would be along the lines of how strong the other fist is, how hard one fist can push, how the muscles can be organised. In that case, the opponents are of the same type. But in this case I think it is a matter of fighting with a fist on one side, and soft glue on the other. You know, we have had a type of philosophy in China usually called that of Lao Tse. It was not pacifism, or a refusal to do anything to the intruding force. It was a way of dealing with that intrusion. It was a belief that the softer way always conquers the stronger way, which is also stiffer and more brittle. And that philosophy may be used in tactics. As you know, there was a scholar who was quite a good critic of the science of war about 400 B.C. by the name of Sun Tse, and then later on there were scholar-soldiers, two or three of whom may be known not only to students of Chinese history, but to students of Chinese novels—Chu Kuo-liang of the Three Kingdoms period, for instance. Then another who was a great philosopher as well as soldier, in the fifteenth century, was Wang Yang-ming, under the Ming Dynasty. It was his philosophy that inspired great admiration in Admiral Togo, the Japanese admiral at the time of the Russo-Japanese War. If you read Togo's biography, you will find he pays great respect to Wang Yang-ming. In the nineteenth century there was a group of half a dozen soldier-scholars, headed by the famous Tseng Kuo-fan. And our Generalissimo to-day is making use of the distilled wisdom and strategy of this long series of scholar-soldiers. It is very interesting that at the Military Conference which took place in the latter part of November in the southern part of Hunan, he gave the opening address to this group of generals, and more than half of that address had to do with Chinese philosophy and the Chinese philosophical temper. The Generalissimo characterised it by four Chinese words, roughly meaning: "firm," "patient," "humble," and "harmonious." Those are not only moral words, but they are also words that can become concrete and can be made practical in military action. Also we have had the phrase: "A mournful army will surely win." As you see, you have two tempers now fighting. One is the idea of bravado. Usually, I think, it is called now by that hackneyed phrase "inferiority complex" in the sense of trying to bluff—"I am somebody; you respect me." If you watch the Japanese

soldiers marching through Chinese streets, notice them. They do it in a very bombastic manner. And then you find that when they have passed by the Chinese common worker will smile. And that smile means a lot. That is it. They are laughable. Therefore there is no need to waste energy even in hating them.

This philosophy of firm, patient, humble, harmonious control in personal character is very important. It is perhaps curious that the Generalissimo should lecture to his Generals half of the time on personal control, but this is because it is thought that through personal control you can get the Chinese forces working along these lines. Thus the glue will follow the fist, although the fist may feel very proud that it is going ahead. In other words, the glue is going to surround the fist. The farther you go in, the harder it is to get out. So I should not be surprised to find—and I think it has been confirmed by neutral observers—that the Japanese troops are beginning to be alarmed as to when and how they will ever get home. I do not need to tell you of the various incidents, but I think you must have heard news reports of the way in which the Chinese worry the Japanese occupants of these various points and lines, broken lines. One of them is very telling. A group of Japanese soldiers were sent down to guard the junction of the railway south of Peking. At first one hundred went. Then in the night-time somehow just on the door of the barracks appeared Chinese characters saying: "Down with Japanese Imperialism." The Japanese were annoyed and shot some villagers, but the next day again the same thing happened. After a few days they doubled their garrison, but still those things appeared. That is just a little incident, and then, of course, there is the appearance of Chinese guerillas at odd moments—and also the altogether un-understandable stupidity on the part of the Chinese in not pleading for peace. Whenever the Japanese succeeded in getting to a place, they thought that the Chinese would ask for peace, and the Chinese so far have not done so at all.

The other phrase that I used was "countryside versus the cities." I think that if this sort of war had happened in Europe, it surely would not have been possible to carry it on in the same way. I asked one military leader who is very close to the Generalissimo and he put it in a very telling way. He said that one of the fundamental reasons for confidence is the fact that China is backward in most spheres of modern activity. Because our whole industrial system is not yet organised in a modern way, the cities have not developed to such a degree of potential strength

as to control the countryside completely. During this last hundred or hundred and fifty years the cities in modern countries have become so extremely important that the countryside simply cannot live without cities, and thus the cities control the countryside, but it is not yet true of China. Therefore the Japanese may go in and get a few cities and towns, and still be surrounded by the Chinese countryside. Fortunately, during the last two years we have had good harvests, and therefore there is no bother at all about keeping the countryside calm and loyal so long as there is food to eat, apart from the other phenomenon of a new awakening of a national consciousness. You might say that from now on this is to be a war of the countryside against a few cities that the Japanese have so far occupied. So, from the Chinese point of view, we seem to be trying out a new form of strategy. Usually in the Western world two forms of warfare somehow serve as the patterns for the interpretation of fighting. One is the pattern of fronts or positional warfare. That pattern was made especially distinct by the last World War, with trenches running miles long and constituting a front. Then another pattern is the pattern of guerilla warfare which was made so famous by Colonel T. E. Lawrence of Arabia. Now, I do not think anybody can say where the fronts are in this war. There are no fronts. There are Japanese penetrations, yes, but no fronts. But the Lawrence type of guerilla warfare is naturally employed a great deal. From now on it will be made more use of, but nevertheless it will not be effective, as military experts know, unless supported by the regular troops, so regular mobile forces will be used in the invaded areas in order to co-operate with the guerilla activities.

I have so far outlined the general characteristics of the second phase in China's struggle. It will be not only defensive, but also offensive. It will be an emphasis on the countryside in the invaded areas. It will also be an emphasis on political development, because in all the so-called invaded areas very few districts or counties have fallen completely under Japanese control. I have here a table prepared by the Executive Yuan—that is, the Cabinet—based on statistics gathered up to October 1938. In Shantung Province, to take one example, which has a hundred and seven districts, seventy-three of those districts are in complete Chinese control with no disturbances at all. Then in thirty-four of the districts the magistrate of the district was still in the magistrate's city or in a village outside the magistrate's city, so we might call them under partial Chinese control. Seventy-

three plus thirty-four makes a hundred and seven, with not one single district or area under complete Japanese control. Then take another province, Shansi, where a great deal of fighting was done. The Japanese got into different parts of this province, but as a matter of fact a survey of that province has shown that out of ninety-five districts forty-six are under complete Chinese control, and forty-eight districts under partial Chinese control. Only one district is under Japanese control—and that is after a year and a half of war. I will not go through the statistics, but they show very clearly that in all this area already invaded by Japan there are various points of advance, but still the whole countryside remains dominantly Chinese, and the emphasis will be to build up all that countryside with political and educational organisations.

So I may say, then, that up to this point, after eighteen months of war, the core of Chinese national resistance has not been broken and will not be broken, because of this peculiar situation in China. We do not hide the fact that we did not start the war as a modern nation. We were in the process of building a modern nation. Perhaps during the three years before the outbreak of the war we were doing a little too well, and that aroused impatience on the part of those who had designs on us. But whatever the cause, the core is as safe as ever. So long as there will be a Chinese National Army there will be an independent China, and that is definite. How will the Japanese be able to destroy that core? It seems as though it becomes less and less possible. Furthermore, from now on it will not be fighting on a purely defensive basis. It will be fighting on a mobile basis of attacks and counter-attacks, to be followed by a big counter-offensive on a larger scale.

Now, suffering has been tremendous. All of us wish to have a clear idea as to what may happen. When may this terrible phenomenon in human history be brought to a conclusion? I am sure that is what well-disposed friends all over the world are interested in. We appreciate that. We also further realise that it is not a matter that can be settled in one corner of the earth alone, because it is inextricably bound up with affairs in other parts of the world as well. So, in conclusion, may I just venture to propose two hypotheses as to what may come after now?

One hypothesis is that through continued Chinese resistance, through this process of exhausting the Japanese forces, both militarily and economically, a stage will be reached—it is very

dangerous to give a time limit, but I should think between a year or two years at the outside—when a new balance of forces in the Pacific may be attained, when a new Conference of the Pacific Powers following the principles of the Washington Treaties may be called. This hypothesis presupposes, however, that within this period there will be no war in some other part of the world. There are reasons for us to think along these lines. For instance, the balance of forces in the Pacific was made at the Washington Conference in 1921–1922—at that time, really with Japan on one side and Great Britain and the United States on the other. That balance held for a period of nine years from 1922 to 1931. Then Japan broke the balance by striking in Manchuria. At that time, 1931, in certain countries between the winter of 1929 and the autumn of 1931 certain things happened economically—certain very proud currencies went off gold and there was something called a depression practically everywhere. As is now becoming obvious, the Japanese took advantage of that, and the balance of the Pacific was soon at an end.

We can really say, without being too nationalistic, that at the time of the Washington Conference China was not counted as being at all a positive factor. Neither was Soviet Russia so counted in 1921 and 1922. From 1931 to the London Conference at the end of 1935, a period of about four years, there was a continuous growth on the part of Japan in this balance. From the end of 1935 onwards gradually the balance changed in form because the unification of China became significant as a positive factor. It was at the end of 1935 that the whole thing really started. For instance, there was the Chinese currency reform at the end of 1935, and the reception of that currency reform all over China, making the Chinese Government notes uniform and withdrawing the silver coins. Then came the assumption by the Generalissimo of the duties of the Executive Yuan, and then all through 1936 there was a testing of that unity by two great events. One of these events occurred in the summer of 1936, when civil war was threatening between the Central Government and Kwangtung and Kwangsi provinces in the south. I happened to be in London at that time. I came here as an exchange lecturer in the Universities, and in about June of that year I noticed in certain newspapers in London the big headlines: "Civil War again in China." It was terribly good news, because that word "again" suggested that there had not been a good show for some time. I did not want to spoil the fun for certain

reporters, so I closed my door and did a little writing, but there was no civil war. Then again another event, also rather badly interpreted abroad, was the Sian affair, when the Generalissimo was forcibly detained. Again the Western world did not know how to interpret it. They called it a "capture," a "kidnapping," and finally some agreed on calling it a "farce." If you go through the newspapers in those days you will see that they did not know exactly what to call it. It was again a peculiarly Chinese affair, and it was settled in the Chinese way, but the settlement showed that the unity of the country was stronger than ever. During this crisis, which occurred in December 1936, I was at home. I noticed the spontaneous expression of anxiety and finally of satisfaction when the Generalissimo came back. As a matter of fact that was a General Election in China, again in the Chinese way. So you might say that the present Government of National Unity in China started from the General Election in December 1936. However, all through 1936 the unity of China became a reality, tested by these two serious events.

So from 1936 onwards the negligible factor of China began to take its place on this side of the scale, in the balance of forces. And of course in 1935 the Soviet Union felt itself safer to sell the Chinese Eastern Railway than to argue with the Japanese. There was China's protest, of course. Through 1936 the Soviet forces north of Manchuria increased. The number was increased from two hundred to three hundred thousand, and to-day it totals perhaps half a million men east of Lake Baikal. So in 1936 the Soviet influence began also to count on this side of the scale. Furthermore, there was your great rearmament programme in 1936 after the London Naval Limitation Conference broke up. That was also in the early spring of 1936, and then the American naval rearmament began, also in the same year.

You may say, then, that the height of Japanese power in the Pacific was reached at the end of 1935. That highest point is now passed. When you actually look at the thing concretely, it is clear that from 1931 to 1935 the Japanese side of the scale tilted heavier and heavier, and then reached its heaviest point at the end of 1935 and the beginning of 1936. Then a little thing, the Chinese factor, became positive and jumped into the scale, so to speak. The Russian factor was slightly shadowy before the end of 1935, but then became more definite, also on this side of the scale. Then the British factor, which because of your desire for peace in the meantime had become smaller after 1922, began to grow in stature. The American side also dwindled

a little bit; it shrunk quite a good deal after 1922; again after 1936 it grew up again. So you may say that this side of the scale, especially with China wearing down Japanese power at the present time, is already coming back and back. And naturally there is less and less fear of the Japanese being able or attempting to bite at anybody else apart from China, and of course in the case of China, it is not a matter of biting at all. It is a matter of pushing the fist into soft glue. So you can easily see that from the point of view of the balance of forces the time will soon come when things will be different, but I am afraid we must do this "gluing" business a little longer, because it is good for the souls of our neighbours. This process will probably go on for a year or two years, and then, when the new balance is reached, we hope it will be a much better peace than the Pacific regions have ever had. That is one hypothesis. But that hypothesis, I am afraid you will say, is a little unreal, because of the threatened difficulties in Europe.

Now, if there should be an open conflict in Europe within the period of a year or two years, what would be the effect on the Far Eastern situation? I think the question would arise as to how the Chinese factor in this larger struggle might be made effective because of the potential power residing in China's human resources. Therefore if there should be a conflict in Europe, I think efforts would be made by the democratic Powers to increase the effectiveness of China as a partner in the larger struggle. So we can easily see two alternatives, and I still hope that the first alternative may be realised, because it involves fighting on the part of China alone. We have, I think, humbly done our share, and we do not wish to pull anyone into the war, but yet if there should be a general war, I think China would also not shun her responsibilities.

In conclusion may I just read one paragraph of a speech given by the Generalissimo? A statement was made by Prince Konoye, the then Japanese Premier, on December 22nd last, and there was a reply by the Generalissimo on the 26th. This is a paragraph from the Generalissimo's statement:

> "The aims of this war in so far as China is concerned are to complete the task of national revolution and to secure for China independence, liberty and equality, and internationally to uphold right and justice, to restore the sanctity of treaties and to rebuild peace and order. This is a war between might and right. It is a war between a law observer and a law breaker. It is a war between justice and brute force. A Chinese proverb says: 'The virtuous one is never alone. He always has neighbours.' Right and justice must emerge victorious.

We must hold fast to our stand, fix our eyes on our goal and be firmly determined. The greater the difficulties are the stronger we resist. The entire nation carries on the struggle. The final victory must be ours. I hope our comrades and armies and the people of the nation as a whole will redouble their efforts to attain our goal."

That is the temper of the struggle in China. I have tried to give you some kind of picture of the present situation in China and to suggest two hypotheses along which we might try to seek some sort of pattern for the future.

Summary of Discussion.

MR. H. S. JEVONS asked whether the lecturer had not been rather optimistic in relation to the future having regard to the difficulties of obtaining munitions. He thought all the great ports of China and the coasts were occupied or controlled by the Japanese. It seemed that the only routes available would be from Russia or from Europe via Burma, landing munitions in Rangoon and taking them fourteen hundred miles by road. The quantity which could be taken by this route seemed insufficient for the enormous armies still being kept in the field. What were the facilities for the manufacture of armaments in Chungking and similar places?

DR. CHANG replied that a conservative estimate showed that the stored up arms would be sufficient for a year, after the cutting off of Canton. Some people estimated that the supplies would be sufficient for two years. This was why the Chinese had kept the Canton–Hankow road open for so long, in order to import arms. Now small arsenals had been set up in different parts in West China, some around Chungking. There were factories for the manufacture of aeroplanes, hand grenades and there was also some supply of heavy arms, artillery and tanks. The latter had not been used very much, and were now being withdrawn to areas where their manipulators were receiving better instruction in the use of modern forms of warfare. They would not be needed for six months or a year. Small arms which would be needed could be supplied.

He had himself recently travelled along part of the road mentioned, from Rangoon, and had a map of it with him. Trucks carrying about three tons could travel on the road now, and it was hoped to improve it so that five-ton trucks could be sent later. Of course the rainy season would damage it to some extent, but there were large numbers of workers available to keep it in repair. The north-western route through Chinese Turkestan was open, and a certain amount of arms was coming in that way. Occasionally there would be some shortage in one particular line or article, but this could usually be supplied within two or three months by fresh importations, and there was no real concern over a shortage of armaments.

MR. F. C. JONES said that the lecturer had stated that one third of the Chinese forces would be sent to co-operate in the guerilla warfare, using mobile tactics. This would be approximately eight hundred thousand men. Who would be responsible for their training in mobile fighting? Secondly, how would these troops be fed and receive supplies in the coastal provinces?

DR. CHANG replied that the mobile forces would go into the invaded provinces and would be commanded by regular officers, not of the 8th Route Army alone. The warfare would not consist of strictly guerilla tactics. Their bases would be the mountains in those districts. As to feeding the troops, during the last two years the harvests as he had said had been exceptionally good all over the country and in the cotton-growing areas the farmers had been told not to plant cotton, but to plant grain. The troops could travel from one side of the railway to the other, especially during the night, and could carry a certain amount of supplies with them. Obviously in a final analysis the number of people sent into a district would depend upon the amount of supplies available for them in that area.

QUESTION: Would the lecturer give some explanation of the peace offer which had been made recently?

DR. CHANG said that Wang Ching-wei, although it was variously reported that he was in Hongkong or Shanghai, on January 7th or 8th was still in Hanoi and had not left that part of the world. It would, naturally, not be very convenient for him at present to visit any part of the world where there were large numbers of Chinese. He left Chungking on December 18th and flew to Indo-China on the 19th. Prince Konoye made his statement to the world about the new order in East Asia on December 22nd. The Generalissimo answered him on December 26th. Wang Ching-wei made a statement on December 29th. The statement of Prince Konoye demanded a new order in East Asia under the hegemony of Japan, with China under her control and all trading interests in that part of the world also under her control. The Generalissimo replied that he must fight for an independent China and, as to the Japanese offer not to claim indemnities, he answered that should she conquer the whole of China she would not need them, for the whole country would be hers. Mr. Wang Ching-wei had evidently thought it wiser to make a statement accepting the Japanese terms with qualifications. This seemed to the Chinese rather naïve; it would be like trying to take food out of the tiger's mouth by asking him for something to eat. It was not officially considered that Mr. Wang Ching-wei had definitely committed treason, but that he had made a very unwise and inopportune move. The explanation was most probably that this move had been begun about the middle of November, but in the meantime two things had happened. One was the lightning speed with which reorganisation of the Chinese forces was effected by the Generalissimo's visits. Mr. Wang Ching-wei under-estimated the strength of the Chinese army and he had made his plans at the time when the Generalissimo was still visiting the troops in the field. He had called his Conference on November 27th. The situation had be-become clear only in early December. During the two weeks after the withdrawal from Hankow there was a great deal of apparent disorder and nervousness. Mr. Wang Ching-wei was afraid that disorder might continue and that the Chinese forces would not be reorganised so quickly. That was one miscalculation. Then another factor which he misunderstood was the attitude of the democratic Powers of Great Britain and the United States of America. As they had not acted before our withdrawal from Canton and Hankow, he thought that after the fall of these places surely they would not act. On the contrary, the democratic Powers had at this moment begun to

take some notice, due to the stupidity of the invading forces on the coast who had gravely disturbed foreign trade. At last they had begun to understand Japanese intentions. So they had taken some action in the form of financial and commercial credits and loans and by a definite statement with regard to the Nine-Power Treaty. Mr. Wang Ching-wei had already gone too far when he knew of the re-organisation of the Chinese armies and the British and American action. The Generalissimo, however, had taken a magnificent attitude and now the whole incident was closed, leaving the atmosphere of determination and confidence clearer than before.

Mr. R. T. Barrett said that the 8th Route Army had excited a great deal of interest, and there were some people who thought that it would be the source of a nationalist movement in China similar to nationalist movements in some other countries. The same people thought that the overture of peace from Prince Konoye had been made on account of his fear of this happening. His retirement had been caused by the extremists under General Araki taking a different attitude and ignoring events in China.

Dr. Chang said that the numbers in the 8th Route Army were not surprisingly large. The national forces were quite large, and it must also be remembered that the 8th Route Army was now a part of a national force. Concerning the influence of the 8th Route Army on Chinese policy, there was not a single Minister in the Government who was a Communist. There was one Communist Vice-Chairman of the Political Training Department under the Military Affairs Commission. He was an old student of the lecturer who had spoken with him recently and had not found him so very "Red." He had told the lecturer to look out in Europe and America for apologists, who would be much more to the Left than the Chinese Communists, some of whom had done much harm. Communist influence in China and its danger lay only in the minds of Japan and her friends. Japan's only aim was to subdue China. There remained, however, the problem of co-operation between the ruling Party and the Communists, and this would doubtless take place along democratic lines. The Communists were few in number, and would not be politically prominent as long as democratic government was maintained.

Question: Would the lecturer give some information about the refugee problem in China?

Dr. Chang said that the refugee problem was tremendous. The National Relief Commission had been able to do something, and the funds received from abroad had greatly relieved suffering and also stimulated the moral efforts on the part of the Chinese. The very disturbed conditions made it impossible for statistics to be taken. Again, China had no Old Age Pensions, no Unemployment Insurance and was extremely backward industrially, but because of this she was able to absorb refugees and unemployed and aged people under the old social system. So to-day the refugees moved about, and large numbers of them appeared and disappeared, cared for by their friends or families. This did not mean that there was not a very great deal of suffering. Different districts and provinces were taking part in relief work and co-operating with the National Relief Commission.

Special areas had been set aside in the western areas of the country for the keeping, training and rearing of refugee children. In this respect Madame Chiang Kai-shek had been a wonderful leader as well as an admirable help-mate to her husband, accompanying him on all his dangerous exploits and adventures. In the invaded areas the missionaries were doing splendid work, and on his arrival in England the lecturer had been pleased and gratified to hear of the Lord Mayor's Fund and also the work of the China Campaign Committee and other groups working for relief in China. Such work would strengthen the ties of friendship which bound Great Britain and China.

QUESTION: What brought hope to the Chinese? In the terrible and almost hopeless world of to-day there did not seem any reason for anyone to hope: the old reasons for hoping were gone. China seemed to have lived by something more hopeful perhaps than any other country. What was it?

DR. CHANG said that it must be remembered that China was still a child in modern nation-building, and as a child could still conceive of the joy of making something, not yet having enjoyed it. So now they were resisting and nation-building at the same time. They did not conceive this war of resistance as taking place between two formed nations, but as a necessary process in building a Chinese nation. This idea of building a nation helped and supported the Chinese. If it were asked: Why should they want to build a nation? The answer could only be that they were as foolish as anybody else.

QUESTION: What was the position of Russia in the scheme drawn by the lecturer?

DR. CHANG said that Russia had not begun to assist China till after the League of Nations Assembly had taken action in September 1937. The Assembly had asked the Powers not to make Chinese resistance more difficult, and had told them that they might aid China individually. Only after this decision had Russia begun to do anything. She had been very afraid of doing anything by herself. During the last year the Turkestan road had been open and a certain amount of material had been sent from Russia to China. Spare parts had been sent to be assembled in China, and Chinese products, such as tea, had been sent out, and trade had been more or less on the barter system. Camel caravans were used to carry petrol because camels did not drink petrol and trucks did. Russian experts had come to train Chinese pilots in the use of Russian aeroplanes. There was not any real Russian influence. Advice had also been taken from German friends of China, though this might seem strange. The leader of the German military mission to China had only recently made a statement in Berlin that he believed in the ultimate victory of China. All foreign military experts found the Chinese astonishingly stupid in some respects and surprisingly resourceful in others, because at the beginning they had been unable to understand the Chinese way of fighting. Use had been made of their technical skill in training large forces, in providing means of defence, in surveying territory, etc., but when it came to the manipulation and use of the armies, especially when it came to spiritual control, foreign experts agreed that the Chinese Generals were developing a psychological strategy of their own.

THE ECONOMIC BACKGROUND IN GERMANY [1]

By Thomas Balogh

In a world dumbfounded by the continued success of aggression, some comfort has been derived by many people from two arguments. It is said, first, that the mounting ambitions of the dictators are mutually incompatible and must sooner or later bring them into collision. Secondly, it is believed that their wanton expenditure on wars of conquest and preparations for future aggression must cripple their economic systems. From this it is argued that time *automatically* works on the side of the democracies. Therefore, so the argument goes on, the Free Countries should refrain from doing *anything* which might precipitate a conflict.

The basic thesis of this argument, and with it some economists, have lately fallen into grave disrepute. A new and not less startling school has arisen which wishes to explain the success of the German experiments by their adherence to strictly orthodox canons.

In this paper an attempt will be made to show

> that the real sacrifice imposed on the population of the totalitarian States by rearmament and attempts to achieve autarky is much less than is commonly supposed—most of the effort was accomplished by re-employing idle productive factors;
>
> that they have evolved an economic system which enables them to mobilise all productive power at their command for a predetermined aim, military preparedness and striking force;
>
> that there is economically nothing essentially unstable in this system in the sense that it would necessarily entail a continuous and cumulative lowering of the standard of life; such reduction as may occur (or has already occurred) is due not to the system itself but to its use, *i.e.*, increasing military expenditure beyond the limit defined by the existence of

[1] **Address given at a meeting at Chatham House on December 15th, 1938; Mr. Clement Jones, C.B., in the Chair.**

idle productive factors; an absence of such an increase in military expenditure would relieve both the strain on the balance of payments and render possible a rise in the standard of life;

that this system was not a consciously planned consequence of a politico-economic and metaphysical conviction, but the gradual, empirical outcome of developments necessarily consequent on the decision to rearm—a consequence in many instances and by many of the leading protagonists only reluctantly accepted;

that the cumulative increase of tension in fact experienced is therefore not the consequence of the economics of the system but of deliberate policy, due perhaps to a sociological-political dynamism forcing the system towards collectivism and militarism whose motives are certainly non-economic;

that therefore any *irrevocable economic concessions* to these systems based on the hope of relieving the tension by helping to bring about a rise in the standard of life, are in all likelihood not only doomed to failure, but would, most probably, have unfavourable results for those who are from *economic* (or ethical) motivations granting them by further increasing the striking power of the totalitarian countries without changing the character of their policy or being able to affect the standard of life;

that a collapse of the system for economic reasons alone is unlikely;

that a complacent policy of waiting would almost certainly result in a relative further weakening of the "free" countries even more difficult to overcome, but that the potential strength of these countries is greater.

The Extent of German Rearmament Expenditure.

We must first investigate the magnitude of the German expenditure on rearmament, an expenditure which determined the development.

The exact magnitude of German expenditure on rearmament is not known. No official budget figures have been published since the second year of the Nazi Government. We have therefore adopted an indirect method of estimating it. German rearmament expenditure has been financed by three expedients: by short-term credit creation (and the issue of bank notes); by long-term loan operations; and by the increased yield of taxation. Statistics on the second are available, the extent of the first and

third can be arrived at with some measure of exactness on the basis of published reports. The amount thus obtained may be checked by an estimate of the number of workers employed by rearmament on the basis of employment statistics and the indices of production.

Credit Creation.

The first method of financing State loan expenditure, the creation of additional cash (both credit and banknotes), was mainly utilised in the first years of the Nazi régime. The existence of vast unemployment justified resort to this expedient. The amount thus obtained can be estimated by the increase of the bill-portfolio of the German banking system. Two qualifications are necessary, however. The *net* increase of the assets of the commercial banks (and even of some other institutions of the banking system) veils a liquidation—with the help of the expansion and revival brought about by the loan expenditure of the Government—of debts frozen as a result of the depression and transformed into bills to enable the banking system artificially to maintain its liquidity. The second qualification must be made on account of the discontinuation of statistics of the total volume of bills. It is not known, therefore, whether the volume of bills *outside* the banking system has not increased since the beginning of 1936. Until then it had shown a declining tendency from Rm. 3·2 milliards in the autumn of 1933 to Rm. 3·0 milliards in the spring of 1936, partly because the flood of armament orders increased the liquidity of the economic system, partly because the scarcity of foreign exchange and the control of imports steadily diminished the volume of stocks, and thus freed money-working capital. The bill-portfolio of the banking system increased from Rm. 6·9 milliards in April 1933 to Rm. 15·1 milliards in April 1938—*i.e.*, by Rm. 8·2 milliards. Thus if we disregard the second qualification, and assume that the special bill holdings of industry and commerce did not show any further variation in either direction, the total purchasing power mobilised by this method of finance may be estimated at between Rm. 8·2 and Rm. 18 milliards. The two limits are derived by taking the *total* bill circulation or merely *its increase* since 1933, according to whether we assume that *all* or *none* of the circulation of genuine private bills have in the meantime been replaced by rearmament and other Government-sponsored or guaranteed special bills (and assuming that Rm. 3 milliards are still outstanding and held outside the banking system). A German source at the end of 1935 estimated

the replacement at between Rm. 4·5 and 7 milliards. Since then, the volume of private bills outstanding has further declined. The lowest volume of so-called "secret debt" of the Reich Government seems to be Rm. 13–15 milliards. It may be considerably greater, though estimates over Rm. 25 milliards are probably figments of phantasy.

In the two years ending April 1937 and 1938 respectively, the yield of credit creation alone was Rm. 2·57 and Rm. 1·54 milliards. As long as there was an unemployed reserve of productive power in the shape of idle plant and labour, this method of finance was of primary importance. It resulted in increased employment and national income. It will certainly be less conspicuous now that full employment has been reached. Indeed, as a result of Dr. Schacht's pressure and persuasion, its complete discontinuation was announced in April 1938. This was as impossible as it was unjustified. The economic system will continue to expand, and thus the demand for cash reserves will increase. This increase in the demand for cash can be supplied by credit creation without any untoward monetary consequences. In so far as the state is able to *enforce* the increase of the idle cash reserves of the economic system by direct regulation, even a transgression of this limit need not result in "inflation."

Long-term Loans.

State loan expenditure resulted in a rapid increase in employment and national income. This in its turn increased the volume of private savings. These were also canalised to finance Government expenditure or such private investment as the Government desired.[1] Voluntary savings were tapped by the issue of long-term loans. These amounted to not less than Rm. 6·5 milliards in 1938 and well over Rm. 10·5 milliards since the beginning of the fiscal year 1936–37. The complete control established over the banking system, the savings banks and the insurance structure has been vital in ensuring the smooth consolidation of the accumulating floating debt. As the German savings are mostly held in the form of deposits, both bills and securities have

[1] This policy of not permitting a cumulative increase of private investment may seem contradictory to those who still regard the loan expenditure of the German Government as a means to stimulate private enterprise rather than an end. On the one hand, the State indulges in loan expenditure. On the other, it prevents this loan expenditure from having the desired monetary effect. Full employment, it may be argued, could have been reached without the State continuing to increase its debt. If we remember, however, that the aim of the Government was to achieve its maximum activity in a certain desired *direction*, the method applied becomes intelligible.

to be bought by the banking system. The "long"-term character of the finance depends, therefore, on whether the owner of the saving deposits does not suddenly decide to dissave, to spend these deposits, for in that case at full employment this additional demand would result in inflation. Thus the equilibrium is not altogether stable—unless the Government is prepared to force funding or control the withdrawal of these deposits.

Taxation.

The buoyancy of revenue was greater than the increase in national income, both because taxes have been increased and because of their progressiveness. Reich taxes were Rm. 14 milliards in 1937–38, they are running now at the rate of over Rm. 17 milliards a year. To this have to be added State municipal taxes of roughly Rm. 4·4 and Rm. 5 milliards, and unemployment insurance contributions of about Rm. 1·8 and Rm. 1·8 milliards. This represents increases of roughly Rm. 7·6 and Rm. 9·8 milliards over and above the year 1932–33. If we assume that the deficit of that year was due to the increase in the cost of unemployment relief—which is a conservative assumption—the above amounts represent true budget surpluses available under more normal conditions for remission of taxation which were in fact used for covering an increase of State expenditure, and thus represent "forced collective saving."

Thus the Nazi Government had at its disposal something like Rm. 13·44 milliards in the year ending March 1938. It must amount to a rate of something like Rm. 19–23 milliards p.a. at present. The total State expenditure is now running at the rate of between Rm. 30 and 34 milliards a year, *i.e.*, over 40 per cent. of the national income. The tax burden and insurance contributions together are over 30 per cent. of the national income. This excludes all "voluntary" but effectively enforced contributions to the Winter-help, Party purposes, etc. Additional amounts were invested by private industry at the behest and under the control of the Government under the so-called four-year plan for factories producing military equipment and raw materials essential for war purposes. A certain proportion of the increase in State expenditure must have been absorbed by the rise in the cost of administration, non-military public buildings, etc. The cost of the two mobilisations must have also been quite substantial. It would be very conservative to say, however, that two-thirds of this amount must have been spent on rearmament and the cost of upkeep of the standing (and expanding) establishment of the

TABLE I

GERMANY

Taxation, Cost of Unemployment Relief and Borrowing

In 1000 millions of Rm.*

	1932–33.	1933–34.	1934–35.	1935–36.	1936–37.	1937–38.	1938–39.
1. Tax Revenue, including States and Municipalities [2]	10·2	10·6	11·9	13·4	15·5	18·4	22·0 * [1]
2. Contributions to the Unemployment Insurance	1·3	1·5	1·5	1·4	1·5	1·8	1·8 *
1 + 2	11·5	12·1	13·4	14·8	17·0	20·2	23·8 *
3. Cost of Unemployment Relief [5]	2·8	2·3	1·6	1·3	0·9	0·4	0·2 *
1 + 2 − 3	8·7	9·8	11·8	13·5	16·1	19·8	23·6 *
4. Available for "extraordinary expenditure" *out of taxation* on the basis of 1932–33 [3]	−2·5	−1·4	+0·6	+2·3	+4·9	+8·6	+12·4 *
5. Increase in the Bill Portfolio of the Banking System (April–April) [4]	—	+3·76 (1933–34 to 1935–36)			2·57	1·54	*Oct.* 1·11 *†
Plus "unknown replacement" of private bills [6]		+ (+6·9 to 10·6) / y + (r)			Unknown increase of bills privately held.		
6. Increase in the Internal Post-war Debt (April–April): [7]							*Oct.*
Short-term	—	0·4	0·75	0·5	0·5	—	+2·5
Long-term	—	0·85	0·75	1·7	+2·6	3·3	+4·25 ‡ [8]
Total visible borrowing	—	1·25	1·25	2·2	2·1	3·3	6·75 (7·1)
Total estimated borrowing	—	4·15	4·15	5·1	4·67	4·84	7–7·35 §
7. Minimum limit of estimate of total available for "Extraordinary" Expenditure (*i.e.*, 1 + 2 − 3 + 5 and 6) [6]	—	+2·75	+4·75	7·4	9·57	13·44	19 to 23 *

* It is extremely difficult to estimate the equivalent of the German expenditure in terms of sterling. The purchasing power of the mark varies considerably in different fields. In general it may be said that it is high as far as the command over labour is concerned, and rather low in purchasing raw-materials and foodstuffs, both home and foreign produced, on account of the relatively limited natural resources of Germany and the desire for autarky. The cost of the personnel of the defence forces per head in terms of marks is probably much lower than the equivalent expenditure in this country reckoned at the official rate of exchange (Rm. 11·90 per £). This rate of exchange perhaps expresses the true purchasing power parity as far as domestic wages are concerned. It would be very conservative, however, to assume that the mark is worth not much more than 50 per cent of its nominal gold value in purchasing raw materials and foodstuffs. The cost of raw materials is only a small portion of the cost of armaments (except for fuel, explosives and shells). Moreover, in Germany certain important arms ('planes) are now manufactured on a mass-production basis, whereas in the Western countries they are still produced by costlier methods. Thus an average rate of exchange of about 15 marks per £ is very conservative. (Reprinted from a letter in *The Economist*, by kind permission of the Editor.)

* Estimated. It may be somewhat higher.

† Partly due to Anschluss, etc.

‡ According to other calculations, 4·6; in that case total borrowing 7·1

§ Approximately 11 p.a. if borrowing continues at the same rate.

[1] Excluding the fine imposed on Jews and the proceeds from the sale of confiscated property.

[2] This table excludes contributions to health, old-age pensions, etc., insurance amounting in 1938 to not less than Rm. 3·1 *milliards, and the contributions to the* Labour *Front* Rm. 0·5 *milliard* and the Winter Relief Fund Rm. 0·4 milliard the eventual use of which is not disclosed. It does not include "*voluntary*" *contributions to the Party. All these, in fact, represent further taxes the yield of which* to some unknown extent is used for military and para-military purposes. The revenue figures also exclude any revenue derived from the sale of assets, profits on Government-owned securities or undertakings—*i.e.*, that revenue which would be called "miscellaneous" in this country.

[3] This calculation is based on the assumption that the budget deficit of Reich, States and municipalities was roughly Rm. 2·5 milliards. It disregards the fact that the municipalities have a surplus now. The errors due to this and above simplifications are not of the same order of magnitude as the figures shown, and thus do not destroy the usefulness of the table.

[4] These figures exclude the fluctuation in the amount of bills held outside the banking system. This was Rm. 4 milliards in 1932 and fell below Rm. 3 milliards by 1936. From that point onwards no statistics are available. There are indications, however, that it has since increased again.

[5] Not including payments out of the insurance fund proper of roughly Rm. 0·4 milliard.

[6] The final figures (7) are based on the assumption that half of the private bill circulation of Rm. 10.6 milliards in 1933 was replaced by "special bills," that the volume of bills outside the system did not increase at all and that borrowing of special bills in the first three years was evenly spread, *i.e.*, $\frac{10·6}{2} + 3·76 : 3 - 2·9$ p.a., and that *no* further increase or replacement has taken place since. This assumption would result in an estimate of the total "secret" debt of only Rm. 13·2, certainly a gross understatement!

[7] No attention has been paid to the reduction of the pre-War debt of Rm. 1 milliard since March 31, 1933, nor of roughly Rm. 1·7 milliards in the external debt as it is not known what the effective repayment represented. Both categories could be amortised by purchases below par. The reduction of the external debt is due also to the depreciation of foreign currencies in terms of the theoretical free mark.

[8] In addition Rm. 1·5 milliards already issued and paid for in January. The short-term figures not available and may show a drop.

[9] This includes increased cost of administration and police, state financed investment (including

armed forces. This gives a lower limit of Rm. 12 milliards for military purposes comparable to our budget estimates. It may have been very much higher.

Real Equivalent of the German Expenditure.

It is extremely difficult to estimate the equivalent of the German expenditure in terms of sterling. The purchasing power of the mark varies considerably in different fields. In general, it may be said that it is high as far as the command over labour is concerned and rather low in regard to the purchasing of raw materials and foodstuffs, both home and foreign-produced, on account of the relatively limited natural resources of Germany and the desire for autarky. The cost of the personnel of the defence forces per head in terms of marks is probably much lower than the equivalent expenditure in Great Britain reckoned at the official rate of exchange (Rm. 11·90 per £). This rate of exchange perhaps expresses the true purchasing power parity as far as domestic wages are concerned. It would not be conservative, however, to assume that the mark is worth not much more than 50 per cent. of its nominal gold value in the purchasing of raw materials and foodstuffs. Since the cost of raw materials is only a small portion of the cost of armaments (except for fuel, explosives, and shells) and further, since in Germany certain important arms (aeroplanes) are now manufactured on a mass-production basis, a rate of exchange computed at about 15 marks per pound would be rather conservative. Thus last year's expenditure on arms would appear to have been equivalent to at least £700–850 millions of sterling, against £262 millions in Great Britain (exclusive of A.R.P., but including issues on the Defence Loan Acts). It may have been substantially higher. In the current year the discrepancy is even greater, *i.e.*, about £1350 against £376·5 millions of pounds (including the cost of fortification and mobilisation).

An Alternative Method of Estimate.

These are staggering amounts. In order to carry conviction they need an independent confirmation. An indirect approximation to the order of magnitude of military expenditure is possible by estimating the number of workers employed and then multiplying by the estimated figures of the net output per worker.

The number of workers in insurable employment has increased from a monthly average of 12·58 millions in 1932 to 20·24 millions in October 1938—*i.e.*, by 7·66 millions or 60 per cent. This

includes an increase of 170,000 in the Saar, but excludes Austria and Sudetenland. It also excludes the expansion of the army, but, very probably, includes the increase in the full-time Party employees and also the Labour Service. [1] Now we know that the output of consumption goods has not expanded more than about 10 per cent. since the beginning of 1934. The increase in the production of investment goods was over 100 per cent. We also know that over a million people were then employed by civilian work-creation schemes which have since been replaced by rearmament orders. Yet employment increased by over 5 millions, though private investment activity has been kept at a very low level except in so far as it was in connection with the quasi-military four-year plan of self-sufficiency. We must conclude, therefore, that at least 4 and probably not less than 5 million workers are more or less directly employed on rearmament, that is, excluding workers employed to provide for the needs of armament workers connected with rearmament. If we estimate the net value of the output of these workers at £250 per head, these employment figures yield an estimate of total expenditure of roughly £1,000,000-£1,250,000,000, a figure remarkably corresponding to the other independent estimate.

The Nuremberg speech of Herr Hitler seems to indicate that this is a conservative estimate. According to his statement, 700,000 people have been employed on the fortification of the Rhineland alone. These fortifications are not mere trenches needing, in the main, man-power and spades. They are complicated installations utilising the most modern technical developments. Thus it seems probable that at least another 700,000-1,000,000 people are now indirectly employed supplying the materials needed for the fortifications alone. On the basis of this particular indication the above estimate of the total does not appear to be fantastic. It reveals a position similar to that in Britain during the Great War.

Effect of Rearmament on National Income, etc.

It has often been contended that the burden of the military preparation in Germany and Italy is so heavy that their economic structure must break down in the long run; that therefore the democracies merely have to sit back and wait until the impoverishment of these countries produces internal social troubles. Nothing can be further from the truth. Rearmament was achieved in the main by re-employing labour and capital rendered idle by the

[1] In the same period hours of work have increased from less than 7 to over 8.

world crisis. So great was the productive power of the country that—at least until the general mobilisation which prepared the way for the attack on Czechoslovakia—they could even afford some increase in consumption. It must not be forgotten that the standard of life (especially if the incidence of unemployment is considered) was deplorably low in Germany in 1932, and in some directions (foreign travel, foreign luxury articles, certain foodstuffs) the supplies have had to be curtailed because foreign exchange was used to buy raw materials needed for armaments. But in other directions consumption definitely increased. The fact that German employment increased by almost 7,660,000 people, excluding Austria and the Sudeten area, explains, but does not detract from the magnitude of, this achievement. The Nazi Government was, moreover, helped considerably by the fact that, as unemployment was extremely grave, productivity increased very sharply in most industries in the first period of the new régime.[1] The Reich could also draw on accumulated reserves of raw materials and economise by measures against waste.

TABLE II

Germany

National Income and Investment

	1928.	1932.	1933.	1934.	1935.	1936.	1937.	1938.
1. National income [1]	75·4	45·2	46·6	52·7	57·9	64·9	71	76 *
2. Investment:								
(a) Total gross [2]	13·7	4·2	5·1	8·3	11·2	13·8	16·0	18·5 *
(b) Total net [3]	7·3	−1·6	−0·75	2·4	5·6	7·6	9·5	11·7
	1932–33.	1933–34.	1934–35.	1935–36.	1936–37.	1937–38.	Total over period.	
Increase in gross investment	0·9	3·2	2·9	2·6	2·0	2·5	14·1	
Increase in national income	1·4	6·1	5·2	4·7	5·9	5·0	28·3	

* Preliminary.

[1] This figure includes the result of State spending on producing certain "services," such as the army, etc. In more normal systems these services do form part of the national income. In Germany where total public expenditure proper amounts to something like 50 per cent., this procedure begins to be somewhat questionable.

[2] This figure excludes changes in stocks. These show an increase of 42 per cent. over 1935 according to the Inst. F. K. In that year they must have reached their lowest point since their previous high of Rm. 27 milliards in 1929 and Rm. 20 milliards in 1932. It is not known what the intermediate liquidation amounted to. The volume of stocks is entirely under State control, which is best evidenced by the fact that they did not begin to rise until 1937 (1936 showed an increase of only 4 per cent. over 1935).

It must not be forgotten, moreover, that in 1929 substantial capital import took place.

[3] The difference between national income and net investment is not the adequate measure of consumption for reasons given in (1).

It is interesting to note that the depreciation charges according to these estimates, *i.e.*, (a)–(b), have not substantially increased This is either a statistical error, in which case (b) ought to be reduced, or it supports the contention of some that there is disinvestment in non-armament or non-strategic industries (such as smaller roads, non-military lines of the Reichsbahn, consumption goods industries, etc.), as obsolescence *must* have increased because of the very much higher rate of use of machines and the use of substitute materials.

[1] Especially after the measures calculated to combat unemployment by spreading work were discontinued.

TABLE III

GERMANY

Employment, Output and Foreign Trade Balance

	1929.	1932.	1936.	1937.	1938 (Oct.).*
Employment	17,870	12,580	17,140	18,370	20,236
Unemployment	1,892	5,575	1,593	912	152
Hours worked	7·67	6·91	7·59	7·68	8·04 †
Index of total production:					
Including food, etc.	101·1	58·5	106·9	116·8	—
Excluding food, etc.	101·4	54	107·8	118·8	133
Investment goods	97	35·4	116·6	128·7	146·8
Consumption goods	103	74	95·6	101·5	116·3
Foreign trade yearly balance	−783	1·072	+550	+773	—

* Including partly Austria and Sudetenland.
† For certain industries over 9.

So much for the rise of military expenditure and its effect on the standard of life. The next problem which has to be dealt with is the economic solution of the financing of rearmament.

When the Nazi Government was appointed by Hindenburg, Germany was in the trough of the great world economic depression, a depression which had been intensified in Germany by the completely mistaken monetary policy of the last non-totalitarian or non-authoritarian government under Dr. Brüning, and the peculiarly vulnerable debtor position of Germany. After the fall of Dr. Brüning his successors attempted to mitigate the desperate economic and social situation by instituting public works and stimulating private investment and expenditure. This policy was continued by the Nazi régime, and was applied to achieve rearmament. At first almost the total of rearmament expenditure was financed by the creation of credit. This took the form of State-guaranteed institutions drawing bills of exchange. These could be rediscounted at the Reichsbank. This method of public loan expenditure (deficit finance) was also applied in America and France, though with less success. In consequence of the loan expenditure national income began to increase and to increase rather rapidly. In 1933 it was forty-six milliards of Rm. having been as high as seventy-five milliards in 1928. Of course these figures do not take into account the intervening fall in prices. Real income thus did not fall quite as much as money income. Unfortunately it is very difficult to eliminate price changes from national income figures. I shall not attempt to do so as I do not want to attempt to give a very close statistical analysis, but merely a general picture of what had happened. In 1934 national income had increased to Rm. 52·7 milliards,

in 1935 to Rm. 57 milliards. It is now said to be about Rm. 76,000 million marks.[1]

As soon as the national income began to increase, obviously demand for consumption goods increased. Hence demand for imports also increased as well as the demand for goods which otherwise would have been exported. Thus as soon as the public works programme was inaugurated the very favourable balance of trade which had been obtained by the deflationary policy of Dr. Brüning, turned unfavourable. An increase of the demand for capital goods also began. If a run-away inflation inside and a depreciation of the mark internationally was to be avoided and if they wanted to continue and expand rearmament, measures had to be taken to limit expansion of private demand especially for foreign goods and services. The first impulse in Germany given to private enterprise by the so-called public works programmes (*i.e.*, at first civil public works and later rearmament)—an impulse which in democratic countries has been used to re-establish private enterprise, the willingness of private people to take risks—was repressed. In fact a complete reversal of that policy was decreed as soon it seemed to succeed. Private investment, and the demand for capital goods and also consumption goods, were severely limited in order to enable the State to use almost exclusively for its own purposes those factors of production which had been rendered idle during the depression.

The limitation of private demand was achieved partly by direct control, partly by taxation. In Great Britain taxation was reduced after the national income began to increase, and the buoyancy in revenue began to increase the yield of taxation. In Germany taxation has been increased *pari passu* with the increase of national revenue and has been increased very substantially in certain directions. The tax on corporate profits was doubled. The rate of the income tax and certain customs duties also rose. A more direct control of incomes was moreover instituted at the very beginning. Wages were fixed in order that the competition for labour should not increase the wage level and thereby increase consumption; at the same time the rate of dividends and profits paid out were also limited. A rigid control of prices followed, and this control was also used to control profits directly. The pressure of armaments demanded also a direct control of real investment, otherwise the almost complete guarantee of profits would have resulted in a private investment boom. The scarcity in the private sphere was thus stabilised and the reactions

[1] Cf. Table II and remark (1) on p. 235.

of a free market economy completely paralysed. The danger of a cumulative process of expansion was eliminated and this control of investment further tightened by a rigid control of the capital market on the money side. The issue of both shares and obligations as well as private borrowing are dependent on express or implicit permission. At the same time real investment in industry is also limited. The expansion or even the maintenance of factories in certain industries is forbidden without government permission. The fact that investment is profitable is not enough to induce that investment. It depends on government approval.

Thus, step by step, not as a conscious plan, not as a preconceived theory, there grew up a completely controlled economy which cannot be called individualistic, but which is certainly not in the normal sense of the word capitalist. I do not want to use the word socialist in describing it because that expression might imply that this system accepts socialist theories and socialist aims—*i.e.*, an increase in the standard of life. The German system is most emphatically not concerned with an increase of the standard of life as an aim and is certainly not based on any sort of humanitarian materialist motive. It is what I should call a *collectivist war economy*. A similar system was established in Germany during the World War under the leadership of Walther Rathenau who was assassinated by the predecessors of the Nazis in German politics. It had its parallel even in Great Britain after the institution of the Ministry for Munitions, for Food, for Shipping and diverse Control Boards, etc. The Nazi system is calculated to limit consumers' incomes and the output of consumable goods to the lowest level possible without causing too much unrest and dissatisfaction, and to concentrate the whole of the surplus productive power of the country on military purposes.

The continued functioning of this system, as I said before, depended on a complete isolation of the internal economy from the world economic system. As the capitalist was not altogether expropriated, his title to his property being left though his control over it was strictly limited, it was necessary to prevent a flight of capital. This type of control of foreign exchange transactions must not be mixed up with that which had been practised by many debtor countries after the great crisis of 1931. The control of foreign exchanges which was instituted in Hungary and Austria and in fact in all the countries which have had the help and advice of the League of Nations, was really a completely mistaken policy of protectionism, calculated merely and solely to maintain un-

economically high exchange rates. It was a measure of commercial protectionism behind which the countries could shelter, despite an overvalued currency and a consequent tendency to buy too much abroad and to be unable to sell enough to foreign countries.

The German control of foreign exchange, though it developed from a system of this kind (for, although the Brüning régime restricted control to capital movements, his immediate successors were forced to control commercial transactions as well), is now a completely different one. It is a system whose primary aim is to prevent the flight of capital, and thus to render impossible any resistance by capitalists. This is a rather important conclusion because, as we know, in France an attempt to rearm on anything like the Nazi scale, whilst maintaining free exchanges, has hitherto been doomed to failure by the fact that as soon as the State expanded its expenditure the private entrepreneur used the State deficit to disinvest his capital and thereby nullified the effect of the State expansion. Owing to the curtailment of private expenditure, employment did not increase to the maximum level possible.[1] Under the Nazi system, no such sabotage is possible. Secondly, this system of foreign exchange control enables the Nazi Government to equate German exports and imports irrespective of the state of trade abroad and the size of the national income at home. If the demand for German products at a certain price should fall, that does not mean that Germany's national income has to fall until the demand for foreign goods is automatically curtailed sufficiently through a fall of income and employment, to equate exports and imports. Equilibrium is achieved by stiffening priorities on imports or by paying increased subsidies on exports. Thus, irrespective of the state of trade abroad, full employment can be maintained at home. The burden of the worsening of the terms of trade is not borne through fluctuation of employment, but directly. The fall of export prices below internal production costs does not prevent exports—nor does it involve losses for the individual exporter. This is a very important point. We have been hearing a good deal lately about unfair competition by Nazi Germany through granting of subsidies. We were also told that if these subsidies were increased the German standard of life would continuously decrease and there would be a " breakdown " of the system. A worsening of the terms of trade through a fall of foreign demand for German commodities is obviously unfavourable for the Germans. It is very questionable, however, whether they lose

[1] The institution of the 40-hour week was therefore more a theoretical than practical limit except possibly in April–May 1937.

more by pushing their exports at the cheaper price and shifting the burden on to consumers (they could, but have not, shifted it on to " rearmament " ; hitherto private consumption provided the " cushion ") or whether they would lose more by adopting the individualist system, permitting the national income to shrink until an equilibrium is reached between imports and the new level of exports.

There is, moreover, a further and even more dangerous aspect of German planned economy in foreign trade. The fixing of internal prices enables the Nazi entrepreneurs to give long-term contracts to producers in foreign countries at fixed mark prices. Hence they eliminate any risk of price fluctuations to the producers of those commodities. Germany mainly imports foodstuffs and raw materials. But as the price of foodstuffs and raw materials is very variable the fact that Germany can make long-term contracts at fixed prices is a very important inducement for the producers in those countries to conclude trade agreements with Germany. If, however, they conclude these agreements they must adapt their production to the German market. Hence they will be less able to sell elsewhere, and naturally that will in time establish a buying monopoly in favour of the Nazis. As soon as this monopolistic power is strong enough, Germany will be able to impose on these people her own terms, and they will then not be able to fight since alternative outlets for their products on favourable terms will not be available. Hence these satellite States will have to bear part of the burden of German rearmament. In this way we have a double threat, so far as the foreign trade relations of Germany and the world are concerned, against our commerce. The first threat is the possibility of Germany, by maintaining full employment, offering goods at cheaper prices than any individualistic producer is able to do, the second is that by using the planned method of economy she can obtain a favoured position.

Some Current Problems.

By these methods Germany has been enabled, as I said, to expend on armaments something between three and four thousand million pounds in the last six years, without on the whole decreasing her standard of life below the low level reached in 1932, perhaps in certain directions even increasing it somewhat. We must now look into the future for a moment before concluding. What do we see? We see that Germany is fully employed. Hence any increase in armaments expenditure, *i.e.*, an increase

in the rate of addition to the stock of arms, would now begin to impinge fully on the standard of life. We must not, however, forget that it is only *an increase in the present rate* which would impinge on it. The present or a slightly lower rate of increase could be indefinitely maintained without a decrease in the present standard of life of the German people. It could even to some extent be increased because the Nazis are able to do what we do not dare—*e.g.*, force the milkman and the housewife, who are such frightening political factors in Great Britain, into the production process, without any repercussions on the results of electoral polls. Hence there is still what might be technically called a reserve of unemployment in Germany, but certainly it has been reduced to a far lower level than ever before. Nor do I know whether the milkman would be a really efficient engineer, though he might be a valiant soldier. Productivity also tends to increase by technical progress. Hence if the Nazis do not strain even further their resources, they would be able to increase slowly their rate of arming or their standard of life.

These considerations show, however, that those theories which maintain that the German aggressiveness originated in an economic impulse, that it is the impulse of the Have-Nots due to the fact that they "have not," are really not borne out by the facts, and it remains to be demonstrated whether by any economic concession any appeasement could be obtained. If Germany would not arm at this tremendous rate, a rate which now is equal to about twenty-five per cent. of the total national income (something more than our total Budget), she could obviously increase her standard of life very considerably. Hence it is unjustified to assume that economic concessions which would increase German productivity would be applied to an increase in the standard of life. Had the Nazis any such intention they could achieve this to a large extent without those concessions. Therefore it is a very dangerous and wholly unjustified argument to say that by economic concessions *alone*, without the change of spirit, one could *ipso facto* promote appeasement, or that the present drift to war, as people call it, would be checked by an economic conference so vociferously advocated on the extreme Left and on the extreme Right in Great Britain.

Secondly, looking into the future, we see that there is some proof that the limits have been, if not reached, at least touched during the last few months. There was no inflation, but there was something equivalent to inflation in German terms; obviously if prices are fixed they cannot increase, but if there is an excess of

demand over a certain supply which would cause a rise in prices in a normal market, there arises the equivalent, namely scarcity. The State had to requisition, for instance, lorries. It requisitioned labour, and this scarcity of labour and certain goods is the equivalent in Germany of the phenomenon which we call, in a free market, inflation, and obviously causes friction. Indeed, in Germany, though the investment output did not decrease during the summer months, there was a marked decrease in the output of consumers' goods, and for the first time there was a definite shortage of commodities, which still persists. At the same time, of course, the rate at which the German worker is now forced to work, especially the skilled worker, is not really compatible with the maintenance of health and nerves in the long run. Now obviously one can apply from time to time useful stimulants in the shape of external diplomatic victories, but it seems that the law of diminishing returns even applies in this field. Further acceleration would necessitate a decrease of consumption or of private investment. But private investment (in spite of the record level of *total* investment) is running at a level which in certain lines (*Reichsbahn*, textile industry, etc.) does not even take care of obsolescence and depreciation. No doubt it could—temporarily only—be even further decreased. But the relief afforded would not amount to much. Hence it would be necessary to decrease consumption. It is very difficult to see how the real income of the lower classes could be further decreased by allowing prices to rise (inflation) whilst keeping wages rigidly fixed (it is wholly improbable that wage fixing will be dropped and an inflation akin to 1923 permitted). Hence it seems probable that any additional burden will be put on the well-to-do either in the form of taxation or of confiscation. The anti-Semitic measures crushing the consumption power of the Jews—and incidentally inducing saving on the part of those who buy their assets and goodwill—are anti-inflationary measures of an exceedingly effective character which may be repeated against other of the former ruling classes.

Still, it would be extremely foolish to expect a spectacular breakdown. I have never understood what that word in this connection can mean. The German economy, as far as it could break down, has long ago broken down, namely it broke down in 1931, and what a breakdown in the collective economy means I simply do not know, except that some people are either purged or put into a Concentration Camp. I have in another place [1] shown that a financial breakdown, *i.e.*, sabotage or inflation, is neither

[1] *Economic Journal*, Sept. 1938.

necessary, nor even likely. At the same time we must not conceal from ourselves that at the present rate of expenditure on re-armament by the Nazis and ourselves, any assertion by any however exalted experts that we are " catching up " or that we are ready to face certain contingencies should not be taken too literally, especially if the worsening of our strategical position is taken into account. If we compare the relative *potentialities* of the two countries as distinct from actual preparedness the superiority of Britain is apparent. We have first of all, in the midst of what Sir Thomas Inskip affects to call "a torrent of arms", eighteen hundred thousand unemployed. We have a standard of life which, in spite of the repeated assertions that Great Britain is ready to face any sacrifice, is still rather higher than it ever was before in her history. We have, furthermore, very useful reserves in foreign assets and other foreign reserves which would enable us to call upon the exertions, if not on the example, of foreign countries. Hence it seems to me that the present situation might be described as actually somewhat unfavourable to Great Britain, but potentially extremely favourable. The defeatism which exaggerates the advantages of the German system as an argument for doing nothing is as unjustified as the complacency which expects an internal combustion in Nazi Germany. The Nazi economic system ought to be, moreover, regarded strictly from the point of view of war economics. Any further conclusions as to whether this system could make or is making mankind happier are wholly beside the point. It was certainly not devised for that purpose. As far as war economics is concerned, however, we may say that we have seen very nearly the best performance by the Nazis and not nearly the best by Great Britain. We may moreover confidently hope that our best performance will be the better.

Summary of Discussion.

MR. CRUMP said that he was mainly in entire agreement with the lecturer. Over a year ago (which it must be noted was, in view of recent history, a long time ago) he had had the advantage of visiting Berlin and seeing several members of the present German administration concerned with administering economic affairs. Most people in England, including the lecturer, seemed inclined to interpret German economic policy and concepts in the English language; but this was not accurate, as the new German economy had evolved under the Third Reich a totally different economic language. In Great Britain it was customary to measure resources of wealth in terms of gold or money. In Germany wealth was measured in terms of work, or employment.

In Great Britain every unemployed man was a *liability*, but in 1933 every unemployed man in Germany was regarded as an asset, to be brought into active use; and they since had been brought into active use. This, as much as rearmament, was the key to the whole economic development of Germany. Rearmament and the removal of unemployment were two things which had grown and were growing together. The lack of gold reserves had in one sense been in Germany's favour. It had been pointed out that much of the rearmament had been financed by the creation of special bills which could be discounted at the ordinary commercial bank and then rediscounted at the Reichsbank. If paper of this kind had been added to already large gold reserves there would have arisen, as in the United States, a considerable degree of inflation; but whereas Great Britain and the United States had been acquiring gold, Germany had been acquiring paper representing work, and in the aggregate the increase in the German note circulation and bank deposits was not widely disproportionate to the parallel increases in England and the United States. Of course it might be said that the wealth of Great Britain was backed by gold, while in Germany it was backed by paper backed by work; but as long as prices, wages, and everything else, remained fixed, it did not much matter on what that money was based. Its real strength inside Germany lay in the fact that it was used by the average German, who was always a good citizen and (if he was a wise man) also a good member of the Nazi Party.

But there remained from the old economy certain inhibitions. One was the memory of the inflation of the early 'twenties, and that was why the German authorities had been unwilling to devalue the mark, even though the pound and the dollar and the franc and everything had been devalued in terms of gold. Even the Nazi Party did not wish to have to ask the country to face another dose of this nature, more especially because of the fact that wages and prices were fixed, so that if devaluation occurred, it would become necessary to upset and to readjust the cost of every essential food and every essential raw material which were imported, and this they did not wish to face until it became absolutely necessary. Then again, they had managed to create money against capital goods and development in the shape of building, plant and machinery, but they had not got as far as creating money in consumers' goods, food and clothing; so that, not only because of rearmament, but for other reasons also, the whole trend of their recovery had been an over-emphasis in the direction of capital expenditure and an under-emphasis of expenditure on consumers' goods. If the production of consumers' goods was to be expanded in future, this implied an increase in consumption which in turn necessitated a disturbance in the relation between those fixed wages and prices. The claim was that there had been as yet no serious inflation in Germany. The Germans gave their reason for this claim, which was that the only sign of inflation was a rise in internal prices. There had been no rise in internal prices, therefore, the argument ran, there could be no in-

flation in Germany. The official giving this reason had not thought it necessary to mention that the reason why there had been no rise in prices, was because they had been fixed by himself and his colleagues. Though there had been no inflation, there were one or two sources of weakness. There was no question of a complete collapse, but there was this danger. First of all, intense capital development had been combined with a low standard of living, a better standard no doubt than that of the unemployed man in 1932, but a worse standard than that of Great Britain to-day or even in Germany in 1929. In time this could only mean a gradual deterioration in the efficiency of labour. Sooner or later there would arise the danger of having to force employment, of bringing the rag-tag and bobtail into the field of skilled labour, and this would lead to the danger of obsolescence and breakdown in machinery. There was no danger of a breakdown of the Nazi economic system but there was one of its gradual deterioration, and this knowledge in the heads of those responsible for the government of the State might lead to fresh efforts and adventures in order to keep things going.

A LADY MEMBER said that she also had been to Germany and spoken with high officials, and a member of the Finance Ministry had told her that they were very worried about their adverse trade balance, owing to the extermination of Jewish exports. In Austria the whole of the leather, the textile and the ready-made dress exports had been in the hands of the Jews, and this had now completely collapsed. This particular official had seemed very worried about the situation.

A MEMBER said that he had been in touch recently not only with various German authorities but with German business men. During the past six months events in Germany had happened with extraordinary rapidity. Germany in the past year had two wars—all but the killing—and the cost had been tremendous. They had expended large reserves of raw materials and acquired a large deficit territory. The new territory needed investment and also a huge public works because it was vitally necessary to show that the new government was very much better than the old one. Thus they were faced with the problem of capital expenditure and heavy equipment just at the moment when this had already been exploited to the full and Germany should really be switching over to consumers' goods. The result was that employment was already being forced to a considerable extent and the milkman mentioned by Mr. Balogh had already been requisitioned. All this must cause some deterioration in the quality of output. The development of substitute raw materials had resulted in enormous capital investment in highly intricate plant: this plant was now being run at a high rate, and the amount of unskilled labour employed was causing unexpectedly high maintenance charges, just when industry was not receiving even the normal attention it needed. The plant

could not be replaced because the resources in either men or materials were not available. A very dangerous feature was that the transport system was deteriorating alarmingly—just as had happened in Russia: when the rolling stock and the permanent way of railways began to deteriorate the replacement problem was colossal. There was a need for steel and those non-ferrous metals which, in particular, Germany did not possess and which were specially needed for rearmament. As a result of the *Anschluss*, and, particularly, of the occupation of Czechoslovakia, Germany was faced with the problem of the complete dislocation of the four-year plan and the necessity for its drastic reconstruction. The increase of political tension in the world required greater rearmament, and the territories just included in the Third Reich needed a great deal of police control because they were not particularly amenable to Nazi rule. At the same time the standard of living had been depressed recently. During the last few weeks he had found not only a marked deterioration in the quality of consumers' goods, but bad food, and there had been some trouble in labour circles. There was therefore an urgent demand for either more bread or "circuses," and something needed to be done quickly. There would inevitably be a big export trade drive—probably towards the northern and north-eastern neighbours of Germany, and where there were fairly free-trading countries who had semi-manufactured and raw materials complementary to Germany's market in South-Eastern Europe. South-Eastern Europe presented, potentially, considerable wealth—but not actually: Herr Funk had discovered this, and that was why he had returned so speedily. He had not gone to sell German goods, but to find what Germany could take immediately, and he had found that it would take several years to develop that area, with colossal investment of capital, plant, transport, etc., which Germany did not possess. Therefore there would probably be a drive to the north and west and, possibly, a military adventure in the south-east. There was one place where Germany could lay her hands on the equivalent to currency—the oil wells of Roumania.

Mr. Emanuel asked what exactly had been meant by the forcing of milkmen, farmers and even housewives into the production process. It seemed that in this case the tasks undertaken normally by the milkmen, the farmers and the housewives would cease to be accomplished, and although it might be possible to have *ersatz* milk, the products of the farmer and the housewife were surely irreplaceable? In this connection the important step of importing labour from Italy and only recently from Holland had not been mentioned. Surely this was a rather uncertain source of labour, and in any case there was always the danger, when importing workers who were used to a higher standard of life into Germany, that they would make harmful comparisons between conditions in Germany and in Holland, for instance, and that this would have a bad effect on the morale of the German workers.

One of Hitler's promises had been that the estates in East Prussia should be split up. Was there still a land shortage in East Prussia, or had this now been removed, or had it never existed?

Concerning Germany's trade drive, no mention had been made of the invisible exports which played an important part in the economy of every nation. There was a large German mercantile marine. Then there was the large invisible asset of tourists. Was this an appreciable item in German economy or not? Shipping was included in this.

Finally was the system of stocks and shares entirely different in Germany from the system in a capitalist country? Could private persons invest their money, if they were lucky enough to have any, where and how they chose?

A MEMBER said that the people who had subsidised the tourists in Germany were those to whom the latter had owed money both in London and in other cities. Germany had again repudiated her debts when taking over Austria. In entering Austria she had taken possession of the equivalent of about a hundred million sterling, but she had taken great care to repudiate the debt which the small State of Austria had honoured. Later when she had promised to pay the British interest on the Austrian debt, it had been done at the expense of Great Britain reducing the interest on the Young and Dawes Loans. In the same way Germany had forced her goods at a little over the world price on countries unwilling to receive them. This side of Germany's export trade would now be affected if Great Britain, instead of adopting a defeatist attitude, bent all her energies to expanding her own export trade and encourage these small South-Eastern nations, particularly Roumania, by taking more of their goods. Unless Great Britain did take these goods, or unless America or some other Power did so, then Roumania would be forced against her will to bolster up the present German system.

Then there was the attitude of Germany towards her Jews. If a Jew had no money he could be got out of the country fairly easily, but a Jew who possessed wealth of any kind was held up to ransom, and was handed over the border against payment of a large sum of money, often up to seventy-five thousand pounds. He had heard the other day of a shipping magnate for whom the Americans were willing to pay up to a million dollars. In this way Germany was acquiring free currency with which she could rearm. Also, under her clearing agreements she obtained gold from other countries and sold in the world market where free currency could be obtained at prices below that of the world market. In these different ways Germany was bolstering up her present system and would continue to do so.

MR. BALOGH agreed very much with the remarks just made, and pointed out that during the last year Germany had even reduced the advantages to be gained from buying tourist marks by imposing a charge on them.

It was true that as a financial operation the Jewish pogroms could be regarded as open market operations which in less violent countries were effected by the sale of government securities by the central bank or the creation of an exchange equalisation fund.

As far as the importation of labour was concerned, labour was not imported from countries which had a higher standard of life, and even where this was the case as in Holland, those who went to work in Germany were the unemployed of Holland, and their standard of living would be lower than that of their employed fellow-countrymen. The question was very like that of the Chinese labour in the Rand mines in 1906, and as there was no Liberal Party in Germany now, the situation might continue indefinitely. The Italian, Polish or Slovak labour employed on the land and housed in camps could almost certainly continue to be dealt with in this way without there being any serious disturbance. In time, of course, the effect upon Germany would be adverse. If the output of this additional labour did not result in such an exportable surplus as would at least cover that part of their wages spent on imported foreign goods plus that part of their wages which eventually would be exported, of course this employment of foreign labour would result in a net worsening of the German balance of payments, and in the long run become unprofitable. He thought that at the moment the employment of unskilled labour was causing a deterioration in productivity. Moreover, available resources were now being used more fully which meant that less productive resources had to be used. A limit had certainly been reached in 1937, where the marginal productivity of capital had begun to fall, and because of the unskilled labour employed, the output was now certainly not as good as it had been. It was true that there was some deterioration as far as certain parts of the transport systems were concerned. If it were found necessary to increase the rate at which German armaments were now being turned out it would, of course, be necessary to decrease the stream of consumers' goods, and as the margin of skilled labour, of resources, of exploitation had been reached, deterioration would be rapid and the situation would become unstable. However, a thousand million pounds or so on armaments per year was not a small sum.

REVIEWS OF BOOKS

Any book reviewed in this Journal may be obtained through the Publications Department of the Institute. Members of the Institute wishing to cable an order may use, instead of the title of the book, the number which it bears, e.g., "Areopagus, London: Send Book Twenty May Journal: Smith."

Books marked with an asterisk (*) are in the Library of the Institute.

THE AFRICAN SURVEY

1*. AN AFRICAN SURVEY: A Study of Problems arising in Africa south of the Sahara. By Lord Hailey, G.C.S.I., G.C.I.E. Issued by the Committee of the African Research Survey under the auspices of the R.I.I.A. 1938. (Oxford University Press. 8vo. xxvii + 1837 pp. Maps. 21*s.*; to Members of the Institute, 15*s.*)

LORD HAILEY'S book, *An African Survey*, may be regarded as, to the best of our knowledge, the most important study of African problems which has yet appeared. All African problems are not dealt with; and this is intentional. The author has aimed at a systematised treatment of the territories under consideration. With this end in view he has drawn a line of demarcation between the countries normally included within the sphere of the Mediterranean littoral and the territories south of that line. This does not imply that no analogy exists between these two regions, nor that the line of separation is based on political or ethnical considerations. The differentiation arises rather from the fact that the problems resulting from the development of the territories concerned are not identical in character.

The decision to undertake the Survey arose out of a desire expressed by General Smuts in 1929, when he pointed out the necessity of examining as a whole the various problems which confronted the Colonial Powers in Africa. It is no exaggeration to say that nearly all these problems are dealt with in this book.

The territories which have been selected for special study in the survey are the Union of South Africa, the British, Belgian, and French colonies, the areas under mandate and the Portuguese colonies.

Lord Hailey has presented his study in the form of a series of monographs. It is divided into twenty-five chapters under the following titles: The Physical Background; The African Peoples; The Study of the African Languages; Population Records; Political and Social Objectives in Government; Systems of Government; Law and Justice; The Non-European Immigrant Communities; Native Administration; Systems of Direct Taxation; The Problems of Labour; The State and the Land; Agriculture; Forests; The Problem of Water Supply; Soil Erosion; Health; Education; The External Aspect of African Economic Development; The Internal Aspect of African Economic Development; Co-operative Organisation; Minerals and Mines; Transport and Communications; The Future of African Studies; Summary and Conclusions. Each of these chapters forms a whole, a complete study in itself; there is no connection between chapter and chapter except for their respective places in the scheme of the whole work.

Lord Hailey sets out in a generally objective manner what has been done in each country in respect of each problem by the colonising Power. The majority of the chapters end with a passage in which the author summarises the main points touched upon and gives his own advice or suggestions. These conclusions also enable him to make comparison between the different systems of administration, British, Belgian, French and Portuguese. The final chapter " Summary and Conclusions " provides a résumé of the principle conclusions arrived at in the earlier chapters.

To attempt an appreciation of the value of this or that chapter seems unprofitable since the interests of readers are necessarily different.

In dealing with the Belgian Congo and with the way in which the administration of the colony has tackled the various problems which he examines, Lord Hailey makes full acknowledgment of the results which have been achieved. If he offers certain criticisms, he does not withhold his appreciation of the fact that the administration of this colony may be termed excellent.

One of the governing ideas which appears to run through Lord Hailey's study is that whatever the Mother Country may do, whether consciously or unconsciously, the African always has the last word. It is he who must lay the foundations which will determine his own future. In formulating this thesis Lord Hailey does not envisage any rapid or violent development, but rather a slow evolution of ideas which from time to time will find expression in fact. Viewed from this standpoint, one wonders whether Lord Hailey perhaps had in mind in drawing up his *Survey* the compilation of a report which should serve as a basis for a plan for the co-ordination of African problems in the future.

Lord Hailey also puts forward the idea that in the future the territories of the Union of South Africa will have a predominating influence in the Continent and will seek to extend their present frontiers with the object of constituting a great African Power.

Does not this view perhaps give us the key to Lord Hailey's division of Africa into two distinct systems, one centring round the Mediterranean, the other round the Cape of Good Hope? I do not know whether everyone will welcome this theory with satisfaction. But everyone who considers *An African Survey* as a whole must agree in regarding it as a masterly work of comparison of the various doctrines of administration in the African territories, and will offer their thanks and commendation to the author for having conceived such a work and carried it to a successful conclusion. (*Translation.*) O. LOUWERS.

2*. SCIENCE IN AFRICA. A Review of Scientific Research relating to Tropical and Southern Africa. By E. B. Worthington. Issued by the Committee of the African Research Survey under the auspices of the Royal Institute of International Affairs. 1938. (Oxford University Press. 8vo. xiii + 746 pp. Maps. 10*s.* 6*d.*; to Members of the Institute, 8*s.*)

WHEN the Committee entrusted with the execution of the *African Survey* set to work, they found that some preparatory studies were necessary to provide the general basis for inquiries on the spot. Dr. Worthington was asked to draft a report on the progress of scientific research with a bearing on Africa. This report proved so valuable and illuminating that the Committee decided not only to make use of it in the *Survey* but to publish it separately, as a supplement.

In fact, the *Survey* and the present book do not overlap much, and

much of the material collected in *Science in Africa* will be new even to the careful peruser of the *Survey*. The chapters on Health and on Soil Erosion are the only ones which have been transferred, nearly wholesale, into the *Survey*.

The "Africa" of the book is black Africa south of the Sahara, with a marked predominance of British territories.

The mass of data is indeed a little bewildering; but it is so neatly pigeon-holed (meteorology, botany, forestry, fisheries, entomology, agriculture, etc.) that no confusion arises.

The general trend of thought may perhaps be summarised by saying that, while the most skilled European scientists are required to save Africa from her natural curses (poor soil, pests, diseases, etc.), it would be foolish to ignore or discard what the natives themselves have done to preserve their biological balance under African conditions. Useful warnings against the introduction of foreign species of plants or animals; hints about the use of baobab leaves, *not dried in the sun*, for native soup, and even about some native remedies, point to the same conclusions.

One could perhaps regret that in this invaluable repository of "Things African" nothing is said about a capital problem, which every native would feel to be most pressing, *viz.*, the problem of housing.

As long as the hut remains as it is in the villages, an ideal sanctuary for ticks, fleas, rats, vermin, etc., one can hardly refrain from thinking that much of the money spent on hospitals and dispensaries is wasted. People are reinfected as soon as they go back to their "homes." Science has something to say on this very complex problem; maybe it has everything to say about building materials, ventilation, heating, kitchen, the disposal of refuse, latrines, small gardens around the house, poultry, light indoors, shade and trees, beds and the way to clean them. For the man on the spot, living with the natives, I know by experience that this problem is simply excruciating.

PIERRE CHARLES.

3*. CAPITAL INVESTMENT IN AFRICA: Its Course and Effects. By S. Herbert Frankel, M.A. (Rand), Ph.D., Professor of Economics and Economic History at the University of the Witwatersrand, Johannesburg. Issued by the Committee of the African Research Survey under the auspices of the Royal Institute of International Affairs. 1938. (Oxford University Press. 8vo. xvi + 487 pp. Charts. 10s. 6*d.*; to Members of the R.I.I.A., 8*s.*)

WE should all be grateful to Professor Frankel for having so successfully carried out his study on *Capital Investment in Africa*. The work, a product of laborious and detailed study which cannot be too highly admired, throws light on a problem of colonisation which has hitherto remained obscure.

Until now no general work has appeared on the importance of capital investments in Africa since the great period of penetration—from, that is to say, about 1880—so far as Central Africa is concerned.

The author of this review has attempted to draw some conclusions on the subject in an article which appeared in the *Bulletin* of the Institut Royal Colonial Belge,[1] but this study only aimed at covering a very limited field.

[1] "Le financement des colonies tropicales modernes," by O. Louwers (in Institut Royal Colonial Belge, *Bulletin des Séances*, V, 1934, t. 3, p. 585 *et seq.*).

Thanks to Professor Frankel's work, we now have detailed facts at our disposal. The author unfolds before us what is in reality an economic history of Africa, in a series of chapters packed with figures and statistics.[1] From all these facts it is possible to draw conclusions about colonial policy. Moreover the author draws such conclusions himself and it is a delight to follow him in his deductions.

Professor Frankel's book differs from similar studies which are, as already stated, very few, in that he is concerned not only to provide statistics but also to give an account of the effects of capital investments on the structure of African economy.

One of the author's conclusions, with which I think no one will disagree, is that the benefits of the work of colonisation carried out by the Powers in Africa have been considerable. He also maintains that in the future capital invested should be subordinated to a more supple form of economic control, and should be utilized for more judiciously chosen ends. But the author is doubtful whether capital returns can surpass those obtained in the past.

Many conditions must be fulfilled if Africa is to be able to play the part in economic life which so many people expect of her, and the author in his conclusion draws attention to them. Firstly, it is important that the population of Africa should be placed in such a position as to be able itself to operate the development of its own territory. Secondly, the problem of labour must be rationally controlled, for Africa is under-populated in many districts and her productive capacity is therefore limited.

In the recognition of these necessary conditions lie the essential factors of the problem of capital investment in Africa. Capital investment must be conducted in strict relation to the social exigencies of the country. (*Translation.*) O. LOUWERS.

4*. LORD HAILEY'S AFRICAN SURVEY. Surveyed for the Royal African Society by the Right Hon. Lord Harlech and others. Introduced by The Right Hon. Lord Lugard. Edited by F. H. Melland, and published as a Supplement to the Society's Journal for January 1939. 1939. (London: Macmillan. 8vo. 70 pp. 2s.)

IT is doubtful if any book has ever before evoked such an exhaustive and valuable consideration of its contents as is given to Lord Hailey's *African Survey* in this special supplement to the *Journal of the Royal African Society*, January, 1939, and the Society is to be congratulated on the authoritative list of contributors whose collaboration has been secured. As Lord Lugard says in his Preface to the review, the Supplement provides an invaluable introduction to the *Survey* itself as well as much valuable original work.

Mr. J. L. Keith contributes a chapter on "The Idea Behind the Survey," and other contributors review the various chapters of the Survey as follows: Professor C. G. Seligman (Physical Background and African Peoples); Dr. I. C. Ward (Languages); The Right Hon. Lord Harlech (Political and Social Objectives in Government and Systems of Government); Sir Maurice Amos (Law and Justice); F. H. Melland (Native Administration); The Rev. T. Cullen Young (Taxation); Dr. T. Drummond Shiels (Labour); Sir Alan Pim (The State and the

[1] On this point the author will perhaps allow me to supplement his information. As regards the Belgian Congo, it is generally estimated that the total capital invested amounts to 26 milliards of Belgian francs.

Land); Sir Daniel Hall (Agriculture, Forests, Water, Erosion); Lt.-Col. R. E. Drake-Brockman (Health); H. S. Keigwin (Education); N. F. Hall (Economics); Major A. G. Church (The Future of African Studies).

THE REFUGEE PROBLEM

5*. The Refugee Problem: Report of a Survey. By Sir John Hope Simpson. (Issued under the auspices of the Royal Institute of International Affairs). 1939. (Oxford University Press. Demy 8vo. 656 pp. 3 maps. 25*s.*; to Members of the Institute 17*s.* 6*d.*)

It was a most happy inspiration which led the Trustees of the Rockefeller Foundation, the Trustees of the late Viscount Leverhulme, and the Sir Halley Stewart Trust to make it possible for the Council of the Royal Institute of International Affairs to undertake an enquiry into the problem of the refugees throughout the world. The work was undertaken with enthusiasm, and within a very short time Sir John Hope Simpson had started upon his immense task. He has been most ably assisted by Mr. Walter Adams and Miss Margaret Bryant, both of whom brought very highly specialised knowledge to bear upon the work. It was agreed from the start that every effort should be made to produce at least a preliminary report in time for the meeting of the Assembly of the League of Nations in September 1938, when the reorganisation of the Nansen Office and the High Commissionership for Refugees from Germany would come up for review. This preliminary report was published, as promised, in July of last year, in time for the Inter-Governmental Conference at Evian, and has now been followed by the completed work, a substantial volume of something over 600 pages. One hardly knows which to admire the most—the punctuality or the comprehensiveness with which Sir John Hope Simpson has fulfilled his task. Except that he has not been able to deal with Oriental or African movements owing to "arbitrary limits which were necessarily imposed on the scope of the inquiry," the whole ground has been thoroughly explored.

The result is that we now possess a study which is not only essential to the comprehension of the most urgent problem of the day, but also a very definite contribution to the history of our own times.

Speaking broadly, the problem can be divided into two main categories, refugees from Central Europe and those from other countries, Armenians, Assyrians, Russians and others. This second class is distinguished from the first in that their condition and numbers have varied very little since 1925, whereas the state of the former class is constantly changing, and always for the worse, notwithstanding the efforts of the League of Nations and private organisations.

Even since Sir John signed his preface at Chatham House in October of last year the situation has become more complex and difficult owing to the occupation of the Sudetenland by Germany and the reprisals which followed on the murder of a German diplomat in November 1938. The very violence of these reprisals, which have not yet reached their possible limit, has had two compensatory effects; they have aroused the sympathies of the whole world outside the totalitarian States, and have made Governmental action inevitable. Fortunately the terms of reference of the new High Commission under the League of Nations are much wider than they were formerly, and by

their action in making a gift of eight million pounds to Czechoslovakia the Governments of Great Britain and France have at last definitely departed from their policy of leaving the finance of refugee work to the private organisations. This, together with President Roosevelt's characteristic action in inviting the interested countries of Europe to attend an inter-Governmental Conference at Evian, constitutes a new phase which carries, within itself, the only hope for the future. Governmental intervention has long been inevitable; we have now got it in a very active form.

For the time being, at all events, the so-called Nansen refugees, who are in no danger of persecution, are rather in the background, while those from Central Europe are very much in the limelight. " The Jewish community remaining in Germany," says Sir John, " is estimated at 350,000, in Austria at 180,000, and there are many thousands in the Sudeten areas or already escaped thence to precarious refuge in Czechoslovakia. No reliable estimate of non-Aryans in the enlarged Third Reich are available but the numbers are probably substantially greater than those of full Jews." These figures, do not seem to include those potential refugees whose religious or political convictions make them distasteful to their government, or those from Italy. It may therefore be said that the problem before the world is to find new homes for something like one million persons. Quite obviously the only satisfactory solution would be that persecution should cease, that the theory of rabid nationalism which has resulted in the totalitarian State should be abandoned, and that these unfortunate people should be allowed to live and work where they now are. Obvious and satisfactory no doubt, but what chance is there of its attainment? Failing this solution, how are new homes to be found for anything like a million persons, or even for the half-million full Jews in Germany alone? Where is soil on which to settle them and whence is the needed finance to come?

Moreover we should not forget that, again to quote the Report, the whole of Eastern Jewry is in an insecure position, and that " there is to the east of Germany and Austria, and excluding the three million Jews in Russia, a Jewry of nearly five millions." So we come to the two final chapters " Solutions " and " Conclusion." Inevitably they are the weakest part of the Report. There are so many " ifs." " If the German Government are induced to modify the policy of confiscation." " If they would further mitigate the pressure within Germany." To these propositions one might perhaps add if the possible countries of reception would forget their own difficulties of unemployment,[1] and if the Jews themselves could be converted from an urban to an agricultural population much might be done and done quickly. More than all, if the Jews and the Arabs, the two great Semitic races, could settle their disputes and Jewish money be introduced to develop the desert lands of Arabia all might yet be well. Are such hopes outside the realm of practical politics? It is in the hands of the practical politicians, especially the prophets of the totalitarian ideals that the solution lies. Even if we master the refugee problem instead of allowing it to master us, shall we solve the greater Jewish problem which has existed for two thousand years or more, or will it always be with us?

NEILL MALCOLM.

[1] This is an aspect of the question which requires further study. There is urgent need for a scientific enquiry into the effect of an influx of alien population upon employment in the countries of asylum.

DEMOCRACY AND SOCIETY

6*. THE CRISIS OF DEMOCRACY. By Professor W. E. Rappard. [*Lectures on the Harris Foundation 1938.*] 1938. (Chicago University Press; Cambridge University Press. 8vo. xiii + 288 pp. 10*s.* 6*d.*)

PROFESSOR RAPPARD, director of the Graduate Institute of International Studies at Geneva, and a member of the Permanent Mandates Commission of the League, gave the lectures of which this book is composed for the Harris Foundation in Chicago in August 1938. The lectures form a solid, sane and well-documented account of the internal problems and the external dangers of contemporary democratic States. After an introductory chapter, the writer traces the rise of democracy in Europe (with special reference to Great Britain, France and Switzerland) and the immediate effects of the World War on the development of democracy. He proceeds to deal with the subsequent collapse of liberal régimes and the rise of dictatorships (treating mainly of Russia, Italy and Germany, and regarding these dictatorships as "children of the World War"); with the difficulties encountered in the working of democratic institutions in the surviving democracies (again with special reference to France, Great Britain and Switzerland); and finally with the future both of dictatorships and democracies.

The last chapter is of special interest: it shows a firm grasp of essentials and a balanced judgment. Professor Rappard is an admirable representative of Swiss political thought (to which the world has been indebted from the eighteenth century onwards); and one can imagine Lord Bryce welcoming this pendant to his own Modern Democracies—published only eighteen years ago; but how much has happened in those eighteen years!—as a work in his own vein and congruous with his own line of thought. The hopes of Professor Rappard for the salvation of democracy lie in two main directions—more economic freedom and more executive authority. Perhaps Lord Bryce would have emphasized most the need for some correction of party extremism; but he would have sympathised with the author's main contentions. ERNEST BARKER.

7. LA CRISE DE LA DÉMOCRATIE ET LE RENFORCEMENT DU POUVOIR EXÉCUTIF. By Émile Giraud. [*Bibliothèque de l'Institut International de Droit Public, VIII.*] 1938. (Paris: Sirey. 8vo. 184 pp. 40 *frs.*)

PROFESSOR GIRAUD has written a remarkable book on a subject of great topical interest and which must appeal to every statesman. He very ably argues that modern democracy cannot thrive against the menace of dictatorships unless it is reinforced by a strong executive possessing the three requisites of stability, authority and effective organisation. His study of the democratic system in Europe and America is, indeed, exhaustive and based on a wide experience. As is natural, he devotes the greater part of his book to the French political system and shows that its adoption by other States has ended disastrously owing to the predominance of parliament over the executive. The author thus favours a parliament whose sphere would be limited to discussion and which would be subservient to an executive enjoying the right of decision and action. There have existed, as the author contends, nations without parliament, but never a State without a government possessing the executive power.

Professor Giraud in his conclusions draws attention to the fact that democracy is undergoing a serious crisis, and that it will inevitably succumb to dictatorships unless it is fundamentally reformed on the basis of a strong executive government. Many of the author's conclusions, whilst undoubtedly correct in the case of some European and Latin-American States, could hardly be adapted, with any sense of fairness or justice, to the democratic systems functioning in Great Britain or the United States of America. C. JOHN COLOMBOS.

8*. LE POUVOIR EXÉCUTIF DANS LES DÉMOCRATIES D'EUROPE ET D'AMÉRIQUE. By Émile Giraud. [*Bibliothèque de l'Institut International de Droit Public, IX.*] 1938. (Paris: Sirey. 8vo. 414 pp. 80 *frs.*)

THIS work, by an able French jurist, is a careful study of the working of the executive in democratic countries. It begins with the statement that democracy is in a critical condition, and that the executive function is the weak point in democracy. This weak point is examined as it appears in various types of democracies classified as presidential, parliamentary and "directorial," without any preference being expressed for one type rather than another; what suits one country would not suit a country with different traditions. Even where the same system has been adopted in two countries it may be worked in an entirely different spirit. The presidential system, under which the Executive authority and the Legislature has each its own sphere of operation uncontrolled by the other, works differently in the United States, with its long traditions of self-government, and in the South American Republics, which came into existence as a result of revolution from the autocratic rule of Spain. In the latter the rule of the president is more autocratic, and the people, who like personal government, expect this, and do not put much confidence in parliamentary institutions. There is a similar divergence of results from the working of the parliamentary system in England and France. While, however, the author points out the smoother working of the British system, he utters a warning against wholesale imitation of that system in his own country.

The chapters which deal with the French system are naturally the most interesting in the book: the vices and counterbalancing safeguards are indicated and some simple improvements are suggested. There are other chapters dealing with the parliamentary systems in other parts of Europe, including the Weimar Constitution of Germany. The view is expressed that the failure of democracy in Germany was not due to the vices of this constitution, but to other factors. Another chapter deals with Switzerland, the sole representation of the "régime directorial," which in theory seems to combine the defects of the presidential and parliamentary systems, but works well in its restricted sphere. H. S. CHATFIELD.

9. THE SOCIALIST CASE. By Douglas Jay. 1938. (London: Faber and Faber. 8vo. xii + 362 pp. 12*s.* 6*d.*)
10. THE FALSE STATE. By Hilda D. Oakeley. 1937. (London: Williams and Norgate. 8vo. xii + 211 pp. 6*s.*)

MR. JAY'S book, now fortunately available in a cheap (Socialist Book Club) edition, is perhaps the ablest statement of the Socialist case produced in this decade. It is written in the reformist mood of the British Socialist tradition, as distinct from the Marxist tradition.

Books from this quarter have been all too rare recently. Its popular influence is, however, reduced by the technical controversy with Professor Robbins, which occupies certain earlier chapters. Nor does it deal with that relevant thesis of the relation of financial pyramiding to social power and of the divorce of management from ownership which occupies Berle and Means' fundamental book, *The Modern Corporation and Private Property.* The major theme of the book is an attack on the perversion of production from a socially healthy symmetry in response to the purchasing power of the rich (a major cause of boom, crash and unemployment), so that the ordinary functioning of supply and demand is morbidly disturbed; and a consequent attack upon unearned income and inheritance, being 25 per cent. of the national income.

It is a book of great courage, thoroughly pragmatic in attitude, which Socialists as much as Conservatives could well chew over. Mr. Jay writes :

> Nor does the abolition of inherited income (on the lines of the Rignano-Dalton plan) imply the abolition of private property as such . . . Socialists have been mistaken in making ownership of the means of production instead of ownership of inherited property the test of socialisation.

In vigorous passages Mr. Jay points out that the Russian system, as defined by Mr. Strachey, is perfectly compatible with the establishment of a species of State Capitalism in which the power of control of his society by the small man might be negligible.

Mr. Jay, however, makes the assumption that enough men of common sense will collaborate in reform of a system where 90 per cent. of the population receives less than 50 per cent. of the income, for the establishment of strongly authoritative instruments to break down opposition to be unnecessary. This presupposes a passion for justice and a hatred of personal passion which may exist in Great Britain, but of which there is too little evidence elsewhere to make it assured. If it be true that mankind is prepared to do its work for amazingly small reward once it has the assurance of social justice, it is also true that the contingency of revolution (which even a Fairfax and a Washington could approve) must never be ignored.

The theme of Dr. Oakeley's book, *The False State,* is expressed in her own words : " the historic development in which this State has imposed itself on the life of peoples has been false to the deeper nature of man." She lays stress upon that essential distinction, considered by Wallas and MacIver, between the community as society and the coercive State. The influence of Berdyaev also shews itself. The basic issue here is whether one accepts the theory of class war and Lenin's consequent definition : " The State is the instrument for the oppression of one class by another." The Webbs, whom Dr. Oakeley discusses at length, are prepared to rejoice in the regulated State rather than in its " withering away," but do this without assigning the reason so frankly given by Lenin. If Dr. Oakeley rejects this definition which justifies " the false State " as necessary instrument, as it appears that she does, then we still have to ask whether a humanistic society consistent with " the deeper nature of men," and resting on that voluntary principle which she praises, will be permitted to survive in the contemporary world. I agree that whether Germany " loses " or Russia " wins " is of negligible importance compared with whether humanism wins or totalitarian dogmatism loses. But should not humanism

defend itself with armed might?—and how short is the step from this to worship of the false State.

Again, this is the epoch of "the Party." May not the Party (not in the old but in the new, semi-religious sense) be the voluntarily chosen community, the modern monastic order, for which men are prepared to sacrifice even life itself? Adolf Hitler and Lenin alike, let us recall, resolutely and explicitly subordinate "State" to the Nation or Party. Dr. Oakeley rather outlines a problem, with an admirable mood of approach, than provides an answer. That perhaps awaits a later book—so at least, in view of the interest of the theme, one hopes. GEORGE CATLIN.

11. BILAN DU COMMUNISME. [*Cahiers Économiques et Sociaux.*] Par divers auteurs, sous la direction de M. Henri Peyret. 1937. (Paris: Librairie technique et économique. 8vo. 224 pp. 18 *frs.*)

THIS is an attempt, by a group of authors, to provide an impartial analysis of Communism in all its aspects, Russian and international, philosophical, political and economic. The first question to be asked of a book on this subject is whether it justifies the claim of its authors that it has been written in a spirit of scientific impartiality, the ultimate test of which must be, as for all works of Social Science, whether it affords, within the limits of its subject-matter, a reliable basis for predicting the future course of events. This test the opening section, which deals with the ideology of Marxism, does not survive. Its author, though on familiar terms with his material, is so anxious to discredit the Marxian philosophy that he completely fails to appreciate the importance of Marx's contribution to modern sociology. Apart from this preliminary lapse, the book on the whole conforms remarkably well to the standard of impartiality which it sets itself. M. Vichniac's description of the advent and evolution of Communism in Russia which opens Part II of the book is admirably lucid and well constructed; its chief fault lies in its failure to make sufficient allowance for the vast scale on which the Bolshevik leaders were carrying through their social revolution. He might also have carried more conviction in his judgment on the Red Terror if he had borne in mind the analogy of the Terror during the French Revolution. In the same way M. Berline's otherwise excellent comments on Soviet economic life do not sufficiently take account of the fact that the Russian, even after twenty years of Communism, is still a Russian, and that his behaviour and efficiency cannot be judged by the standards of Western industrialism.

M. Buisson's account of the Comintern and M. Aubin's account of the evolution of Communist parties outside Russia both contain much useful and highly interesting material, accumulated in precise and convenient form. It is a pity that their contributions were not supplemented by a chapter analysing the foreign policy of the Soviet Union in its relation to Comintern activities. Perhaps the most interesting section of all is the last, which deals with the evolution of the Communist party in France and its present position within the Front Populaire; it provides a first-hand analysis, by men of considerable insight, of the rôle played by Communism in the present political situation in France. In general, this book is certainly one of the most useful contributions to recent literature on Communism.

D. A. ROUTH.

12. THE CRISIS OF OUR CIVILISATION. By Hilaire Belloc. 1937. (London: Cassell. Demy 8vo. 250 pp. 8s. 6d.)

THERE are many ephemeral publications issued in these days which attempt to explain the reasons for our troubles and to provide an easy and direct solution. There are also many thinkers who are so overwhelmed with the tragedies of our time that they can see no light in the future. Mr. Belloc has never belonged to the latter class, nor can his book be dismissed with the others as unimportant or as a too simple analysis. It is simple, in the sense that thought and language are so clear that any schoolboy can see what the author is driving at, but it touches on the most profound aspects of European civilisation and gives a solution which, though perfectly easy to grasp, is most difficult to accomplish.

In the space of some hundred pages, Mr. Belloc shows how our civilisation—Christendom—arose. To the Catholic Church he gives the chief credit for the making of Christendom. It was this institution, he claims, and not a vague Christianity, which saved what could be saved of the Græco-Roman civilisation and brought into contact with this and itself the new inhabitants of the old Roman Empire. Out of the fusion of these three elements Christendom was born, nurtured during the so-called Dark Ages by the Church and flourished, under the Church's influence, in mediæval times—notably in the thirteenth century. Not that all was fair then; injustice and sin existed then as they do now, but there was a predominant appreciation of the natural and supernatural rights of man which gave colour to the whole of society.

Mr. Belloc in conclusion outlines his view of the course which restoration must take—the only way in which Capitalism and Communism can be prevented from bringing one another and Christendom itself to destruction. They are the restoration of property, control of monopoly and the re-establishment of the Guild and, above all, the return to Catholic thought which will inspire all these efforts.

Many will not agree with this outspoken and important study, but they will have great difficulty in contesting Mr. Belloc's first principles or the logic with which he establishes his conclusions.

EDWARD QUINN.

13. CIVILISATION: THE NEXT STEP. By C. Delisle Burns. 1938. (London: Ivor Nicholson and Watson. 8vo. 291 pp. 8s. 6d.)

DR. DELISLE BURNS' books always command a public for which they are skilfully and admirably designed. "This book," he modestly comments, "is not for those who pride themselves on being 'advanced' or 'progressive.'" Nevertheless, his comment that "if anyone wants to reform the world, he must begin with an improvement of his own manners" seems to me profound enough—as profound as Confucius—and, in all conscience, advanced enough beyond the folkways of to-day. This does not mean that Dr. Delisle Burns has lost sensitiveness to justice beneath a defensive coat of formalism. He quotes the remark of Sir Arthur Quiller Couch, which should cause searchings of heart in Reuben: "We may prate of Democracy, but actually a poor child in England has little more hope than the son of an Athenian slave to be emancipated into that intellectual freedom of which great writings are born." The civilisation, primarily Anglo-Saxon, of which he writes is, on this side of the water, if presumably intensive, far from as *extensive* as it should be. Dr. Delisle Burns' prescription, "No Chosen

Race," will receive facile assent in many quarters that will hesitate to implement another of his prescriptions, " No Snobbery."

The object of the book is to educate rather than to challenge. However, Dr. Delisle Burns advocates (along, I believe, with Sir Arnold Wilson) as morally obligatory, the putting of all children at some stage through the elementary schools—a basic and excellent suggestion, as I can testify from experience, since I have tried it out with my own. Dr. Delisle Burns concludes by turning from the domestic to the international field of civilisation. He maintains that by " peace " is to be understood, not actual peace, but co-operation among nations prepared to do so, excluding (such is the implication) dictatorships, among them Russia. We are to " undermine nationalism." Pacifists, he concedes, are, some of them, intelligent but, nevertheless, sentimental. I am not sure that they are not more realist than Dr. Delisle Burns. " Appeasement " is dismissed as " not a policy of peace in the modern sense." Its advocates do not co-operate with the people we would like to co-operate with, including the nationalists of the small nationalities—or are these also to be " undermined "—and by whom? I fear that this book is too often precisely what I should call " advanced " in the nineteenth-century sense. It is very lucid; but vaguely unreal. One has a feeling of contact, not with men, but with cushioned phrases. The work is, however, pervaded, as ever, by a correcting spirit of balanced humanism too rare in these evil days and for which we all stand debtors to Dr. Delisle Burns.

GEORGE CATLIN.

14. HUMAN NEEDS IN MODERN SOCIETY. By B. T. Reynolds and R. G. Coulson. 1938. (London: Jonathan Cape. 8vo. 284 pp. 10s. 6*d*.)

THE purpose of this book is an appeal for the establishing of mutual goodwill and understanding between what the authors define as the classes and the masses. There is nothing sentimental about this appeal. It is, on the contrary, a carefully argued claim that by this means only will the inevitable collapse of our present-day society be avoided and the happiness of mankind be assured.

Their arguments cover a wide field, but are principally based on psychology, history and practical experience. Of political bias there is none; in fact, the authors have little use for any of the present-day political philosophies, which in their opinion provide for nothing better than the replacing of one set of " top-dogs " by another. Universal well-being can only be found, they argue, in an integrated State. It is not enough, in their opinion, to remove barriers, divisions and distributions inimical to social living, but that " the well-being of all is only attainable in a society where close personal contact, mutual sympathy, understanding and good-will are actively present."

They are fully aware of the difficulties which will have to be overcome before this happy state of affairs is reached, but they are convinced from personal experience that it can be done. They have experimented in various parts of Great Britain and among many different types; admittedly in a small way, but in each case their efforts were met with success.

Few will quarrel with this ideal of Universal Human Fellowship. But one wonders whether the methods of approach to it as outlined in this book do not depend far too much on those very qualities of human nature which have always been remarkable for their absence. Man-

kind has yet to show that it has any aptitude for settling its problems in a spirit of sympathetic give and take. C. H. GUYATT.

15. L'EUROPE DU XIX^{e} SIÈCLE ET L'IDÉE DE NATIONALITÉ. By Georges Weill. 1938. (Paris: Albin Michel. 8vo. xvi + 480 pp. illus. 45*frs.*)

THERE have been histories enough of the nationalist movements in those countries where the idea of nationality has been in striking contrast with the bases of the states concerned. There have been even a few more general works, such as Fischl's *Panslavismus*. These, however, still left ample space for a general survey of the development of nationalism in Europe during the nineteenth century; and Professor Weill's book is heartily to be welcomed. As his field is very wide, covering not only the obvious ground of Central and South-Eastern Europe, but also countries so wide apart as Ireland and Russia, the space which he can devote to each is limited. Few, if any, of his chapters constitute the last word on their subject; many of them are summary, and one or two rather superficial. His work has, however, the great advantage of being able to apply the comparative method and to show how the idea of nationality has taken different forms in different countries, according to their respective economic, social and geographical conditions.

The bibliography might be fuller, especially as regards modern works. C. A. MACARTNEY.

PROPAGANDA AND THE PRESS

16*. PROPAGANDA IN THE NEXT WAR. By Sidney Rogerson. (*The Next War* Series, ed. by Capt. Liddell Hart.) 1938. (London: Geoffrey Bles. 8vo. 188 pp. 5*s*.)

WE live in the age of propaganda, and if war comes, propaganda will play a far larger part in it, both at home and abroad, than in any previous war. Mr. Rogerson has written what is in many ways a first-rate book on the subject. He writes with unusual force and clarity, with a mastery of the technique of propaganda derived from wide experience in commercial advertising, and with a sense of realism which makes his conclusions consistently stimulating and often provocative and even shocking. The book is open, however, to one fundamental criticism. Mr. Rogerson writes as a technical expert, and, like most technical experts, he is sometimes in danger of mistaking the means for the end. In explaining, for example, the need for propaganda on behalf of democratic ideals, he seems to become so preoccupied with the technique of putting these ideals across that one is sometimes led to wonder whether he attaches any value or significance to the ideals themselves—or whether he merely regards them as convenient instruments for his technique. This confusion of means and ends contains dangerous possibilities which, as the position of propaganda in Great Britain becomes more established, may seriously threaten democratic principles. Mr. Rogerson's book would have been more complete if he had been sufficiently aware of this aspect of his problem to face up to it and give us his views upon it.

D. A. ROUTH.

17*. PROPAGANDA BOOM. By A. J. Mackenzie. 1938. (London: John Gifford, Ltd. 8vo. 368 pp. 10*s*. 6*d*.)

18*. ALLIED PROPAGANDA AND THE COLLAPSE OF THE GERMAN EMPIRE IN 1918. By George G. Bruntz. [*Hoover War Library Publications, No.* 13.] 1938. (California: Stanford University Press; London: Humphrey Milford. 8vo. xiii + 246 pp. $3.50, 16s.)

THESE two books form an interesting contrast in the treatment of a topic of considerable current interest. Mr. Mackenzie's book is personal, well stocked with views and suggestions, and also with facts which make exciting reading to anyone prepared to accept the view that fact is stranger than fiction. It comes, if the colloquialism be permitted, "hot from the press." Mr. Bruntz' book is detached, scholarly, and as well documented as a "case-study" dealing scientifically with a phenomenon in a particular sphere of time and space is expected to be. This writer has been working on his topic, under the direction of the Directors of the Hoover War Library, since 1928.

The result of Mr. Bruntz' researches is a valuable addition to the remarkably short list of reliable scientific studies of propaganda in the World War. In 1914–18, the author maintains, "a propaganda system for purposes of warfare was set up which for scientific perfection rivalled the military system" (p. 3). He devotes a preliminary chapter to the important question of the manner in which propagandism was organised by the main Allied and Associated States; and it is of interest to note that it was not until March 1918 that preliminary steps were taken to co-ordinate the propaganda systems of these States. From this topic Mr. Bruntz proceeds to discuss the propaganda methods and tactics, including the use made of neutral countries, of these States; to analyse propagandas according to the various aims of the Allied propagandists; to describe "revolutionary propaganda" in Germany and Russia, and to discuss the question of the manner in which German internal conditions assisted Allied propagandism.

Not the least interesting chapter of this book, to a student of the topic, is the final one, which deals with the effectiveness of Allied propagandas. Mr. Bruntz is too scholarly to dogmatise about the "imponderables" which this question raises. But he offers rather ample documentary proof for his conclusion that, at the lowest estimate, "propaganda probably helped to hasten the end of the war" (p. 220). His book gains additional value from its admirable print, illustrations and bibliography.

Mr. Mackenzie's study is lighter fare; but is in many respects illuminating upon the progress of propagandism in the period 1918–38. The writer does not shrink from nailing his colours to the mast; and included among his colours is the opinion, with which the present reviewer is in full agreement, that "propaganda is ethically neutral" (p. 34). His method is, in the main, the historical one of tracing the post-war efflorescence of propagandism from the decline of freedom in Europe heralded by the Bolshevik Revolution to the fall of the Czechslovak Republic. Since it has already been stated that this book is both interesting and informative, one may hope that it will not be interpreted as carping to suggest that it should have had an index.

TERENCE H. O'BRIEN.

19*. THE PRESS. By H. Wickham Steed. 1938. (London: Penguin Books Ltd. 8vo. 250 pp. 6*d*.)

"The book," states its author, "is in the main an essay on the British Press and the postulates of its freedom. Neither in form nor

in substance is it a history or a handbook." What it amounts to, if one reader may offer a more telescopic description, is a manual with a message. It is a manual of obvious utility, since it provides a comprehensive series of facts about the contemporary British Press, regarded both as an institution in its own right and in relation to other British institutions such as the State, the Law and the B.B.C. Its message, shortly stated, is that the Press is the bulwark of freedom in a modern community; and that the "free" British Press is now showing signs of descending down the dangerous inclined plane that leads to "totalitarian servitude."

TERENCE H. O'BRIEN.

GENERAL

19A*. ENVIRONMENT, RACE and MIGRATION. By Griffith Taylor. 1937. (Toronto: University of Toronto Press; London: Oxford University Press. 8vo. xv + 483 pp. 16s.)

THE author describes this book as "in a sense a new edition" of his *Environment and Race* published in 1927. In so describing it he hardly does himself justice; for there is a large amount of new material, and of the 158 maps in the present volume 100 did not find a place in the former volume. It is, in fact, a new book on the lines of the former.

The book falls into four parts. Part I deals with the outlines of world geological structure and of ethnology. The second and largest part passes the continents under review, and, after describing their geological and climatological histories, enters upon a study of their inhabitants past and present, and attempts to discover and account for their migrations. In Part III are studies of Canada and Australia, the first being taken as an example of white settlement in a cold continental environment and the second as an example of white settlement in a hot and arid environment. The fourth and concluding part deals with potential white settlement. The book is plentifully illustrated by maps and diagrams. It is perhaps because they are so numerous that the scale has been kept small. But they are often on so small a scale in relation to the detail which they contain that they are rather obscure. This is a pity; for they are for the most part novel and ingenious.

The author has taken on a gigantic task. The evidence bearing on the problems which he discusses is almost without limit. He brings forward masses of data but, for reasons of space, often in so summary a form that it is difficult to appreciate their nature, or even at times their relevance. When he draws his conclusions he has insuffcent space to present a carefully argued case. He is often reduced to saying that in his opinion certain deductions are justified without being able to give them the support necessary to make clear the weight of evidence behind his views. He might have given himself more elbow room by omitting references to early geological history which is only remotely related to his problems. But even then he has a task which could only be adequately fulfilled by a series of books. The choice would seem to lie between a series and a simpler treatment which was limited to a general sketch, and in which no attempt was made to introduce more than illustrative evidence. The present treatment is a compromise of a not entirely satisfactory nature.

In a field such as the author has taken for his province, it is only too easy to select evidence and produce an apparently compelling argument for some ingenious and far-reaching explanation of much that has happened. To some minds the temptation is overwhelming.

But Professor Griffith Taylor maintains a truly scientific attitude. He is very widely informed, and attempts to balance evidence with care and discrimination so far as his scheme permits him an opportunity. He may attribute more importance to the cephalic index than others would admit, and he has views about the so-called Australoid and Mongolian races that are not everywhere shared. He is also influenced by Huntington's speculations about the influence of climate upon human acitivity. But he is not a "diffusionist," and he does not call in the hypothesis of over-population to explain all migrations. He is too well informed and has too much scientific conscience to let himself be led away by any of those simple notions which are so easy to promulgate and which save so much trouble.

Broadly speaking, he may be regarded as a supporter of the view that climatological and geographical controls have had the chief hand in shaping human history. For this view he would get wide support. It may be that he is so impressed by the influence of these factors in the past that he under-estimates the degree to which man may liberate himself from them in future. Thus he discusses the population-carrying capacity of Canada and Australia with less reference to rapidly advancing scientific knowledge than is perhaps advisable. But he shows cantion in these discussions. He presents very varying estimates of Canada's potential population capacity without committing himself to any of them. These and other problems, with which the book deals, are the background of the studies which engage those who are concerned with contemporary issues. Students of these issues who read this book will learn something of the vast problems under discussion of which contemporary questions are only the latest phase.

A. M. CARR-SAUNDERS.

20*. OUR OWN TIMES, 1913–1938. By Stephen King-Hall. 2nd revised edition. 1938. (London: Nicholson and Watson. 8vo. xvii + 1155 pp. 12*s.* 6*d.*)

STEPHEN KING-HALL has revised and brought up to the events of October 1938 his former two-volume survey of "Our Own Times." The result is a vivid one-volume account of world affairs, displaying a comprehensiveness and accuracy of detail which make it a valuable book of reference. The extensive bibliography, chronology and index are typical of the thoroughness with which the author and his co-adjutor, Mrs. L. K. Scott, have done their work. It is, therefore, a pity the volume contains no maps, since recent European events showed that geographical knowledge was not very widespread among some of those with solutions for the pressing problems of the hour. The narrative is enlivened by the expression of personal opinion and criticism with which not all will find themselves in agreement, but with the concluding observation of the volume there should be no dissentients: "Democracy must be taught to think and appreciate that Liberty means more than the removal of restraints upon individual action: it means self-discipline . . . education for citizenship."

K. C. BOSWELL.

21*. GEOGRAPHICAL ASPECTS OF INTERNATIONAL RELATIONS. (Lectures on the Harris Foundation 1937). Edited by Charles C. Colby. 1938. (University of Chicago Press; Cambridge University Press. 8vo. 276 pp., maps. 13*s.* 6*d.*)

THIS book contains a collection of addresses delivered by well-known American geographers at the thirteenth session of the Harris

Memorial Institute, which was devoted to geographical aspects of international relations. The editorial statement that "taken together they reveal something of the geographical approach to international problems and, it is to be hoped, represent progress in the complicated field of political geography" is, on the whole, well founded.

It is particularly the last four articles of the series which exemplify the distinctive contribution which geography, by its interpretation of inter-regional relations, can make to the understanding, and even towards the solution, of international problems. Political geography cannot be an exact science, but that it is evolving a body of first principles of more than academic interest will not be doubted by any impartial layman who carefully reads Mr. Derwent Whittlesey's article on "Reshaping the Map of West Africa," Mr. Richard Hartshorne's "Survey of the Boundary Problems of Europe" and more particularly the two related South American studies ("The Distribution of People in South America," by Mr. Preston E. James, and "Conflicting Territorial Claims in the Upper Amazon," by Mr. Robert S. Platt.) The last is of special value because it probes and indicates the lines of solution of international problems not yet acute, but certain to become so unless they are faced in time, both in a scientific way and in a spirit of good will. After a detailed and singularly illuminating study of the position in the Upper Amazon, Mr. Platt makes certain generalisations as to the political geography of the future whose full implications deserve careful pondering—*e.g.*, "Nations are less fundamental phenomena than the grouping of people in the areas to which they are attached, and probably less permanent phenomena than this grouping in these areas," and again, "Nations dominate the present. Other forms of areal (regional) organisation conceivable in the present are destined to dominate the future, unless the nations in their day destroy the areal (regional) groups of people upon which all such forms are based."

The first three articles ("Population Outlets in Overseas Territories," by Mr. Isaiah Bowman, "International Aspects of State Intervention in Economic Life," by M. Pierre Denis and "A National Plan and Policy for the Control and Use of Water Resources," by Mr. H. H. Barrows) are useful contributions, but are primarily economic surveys of familiar themes against a geographical background. P. M. ROXBY.

22*. WAR IS NOT INEVITABLE. (Lectures delivered at the Geneva Institute of International Relations, August 1938.) [*Problems of Peace, 13th Series*]. 1938. (London: The Peace Book Company. 8vo. 299 pp. 6*s*.)

THIS is a further instalment of lectures delivered by well-known experts on international affairs at the Geneva Institute of International Studies. It is a disappointing instalment. Most of the lectures are concerned with the causes and remedies of the international crisis which was coming to its climax at the time of their delivery (August 1938). One might have expected that men of such reputation and ability as the contributors to this series would be stimulated by an atmosphere of crisis to say something new and profound. Most of them disappoint this expectation and confine themselves to a restatement, in one context or another, of the usual League ideology. The only lectures which, by going deeper into the causes of our present discontents, provide some new food for thought, are those of Señor Madariaga, Mr. Zilliacus and Mr. Ibbetson James—the last-named

providing a model of what this sort of lecture ought to be. The lectures by Mr. Taylor on the effects of the *Anschluss* and by M. Rolin on the attitude of the Oslo Powers contain some useful factual material.

D. A. ROUTH.

23. ANTHONY EDEN: A Biography. By Alan Campbell Johnson. 1938. (London: Robert Hale. 8vo. 381 pp. 15*s.*)

THIS book provides its author with an opportunity for airing his own views on recent foreign policy. As a biography, it is unsatisfying. For instance, Mr. Eden first won the attention of parliament by contributions to debates on Middle Eastern questions, based on first-hand knowledge. Yet the reader looks in vain for any account of the circumstances in which this knowledge was acquired. In relation to more recent events, it does not appear that Mr. Johnson is in any better position than the general public to interpret the motives behind Mr. Eden's speeches and actions. It is, indeed, probably unreasonable to hope for more than this volume gives us—Mr. Johnson's commentary on the well-known facts of his hero's public career, a career which many of us hope is by no means terminated. A really valuable biography of a Foreign Secretary cannot possibly be written until a good many seals, at present inviolate, have been broken. But, admitting this, one is inclined to ask why the present attempt should have been made, though it is brightly written.

G. M. G-H.

24*. THE LEAGUE OF NATIONS AND THE RULE OF LAW, 1918–1935. By Alfred Zimmern. Second edition revised. 1939. (London: Macmillan. 8vo. xiii + 542 pp. 12*s.* 6*d.*)

The author has taken the opportunity of the need for a new edition of this book to subject his material to a thorough revision and to bring the references to the literature in the subject up to date. The principal new matter appears in Part II, Chapter X on "The Drafting of the Covenant," and in Part III, Chapter III on "The League as a Working Machine."

25*. INTERNATIONAL BIBLIOGRAPHY OF AGRICULTURAL ECONOMICS. 1938. (Rome: International Institute of Agriculture. 8vo. 137 pp. Annual subscription 6*s.* 6*d.*; $1·60.)

The first issue of a quarterly bibliography to be issued by the International Institute of Agriculture. It covers the economic and social aspects of agriculture—agricultural economics, agricultural policy, settlement, credit, co-operation, insurance, marketing, prices, statistics, farm organisation and management, valuation, labour, accounting, rural sociology, agricultural history and geography, legislation and education, and all other agricultural problems in so far as they are considered from the economic and social point of view. Only publications of purely technical character are excluded.

26*. CRISIS BOOKLETS: No. 3, Moral Rearmament, by Sir William Bragg, Sir Walter Moberly, Lord Kennet; No. 4, The Crisis and World Peace, by Leyton Richards; No. 5, What does "A" do next, by F. A. Cockin. 1938, 1939. (London: Student Christian Movement Press. Sm. 8vo. 62 pp., 63 pp., 62 pp. 1*s.* each.)

These booklets are designed to help Christians to clear their minds on the fundamental nature of the present situation and the issues it raises.

27*. LE PANAMÉRICANISME. By Eugène Pépin. (*Collection Armand Colin, Section de Géographie.*) 1938. (Paris: Armand Colin. Sm. 8vo. 222 pp. Paper, 15 *fr.*; bound, 17 *fr.* 50.)

A history of the development of Pan-American movement from the beginning of the nineteenth century and a description of the political and

economic framework of the countries involved, together with an account of the organisation of the Pan-American Union and its work.

28*. KEY TO LEAGUE OF NATIONS DOCUMENTS PLACED ON PUBLIC SALE 1934–6. Fourth Supplement to the Key to League of Nations Documents 1920–9. By Marie J. Carroll. 1938. (New York: Columbia University Press. La. 8vo. xxii+188 pp. $4·25.)

THIS fifth volume of the series is enlarged in scope to include all information required by libraries and other users of League Documents. As before, the first section indicates the main subjects of each issue of the League Periodicals, including the *Official Journal*. The second section consists of a detailed list of Documents arranged numerically by sales number under the subject divisions adopted by the League. The third section deals with the Committees, Commissions and Conferences of the League, arranged again under the League's system of subject headings. A *résumé* of the nature and purpose of the Committees, together with the dates covered by their activities, precedes the dates of sessions, and the references needed to the *Official Journal* and other documents. Questions dealt with by the political section are treated under the question itself: Saar Territory, Assyrians of Iraq, etc. Finally a subject index enables the user to discover the documents wanted, whether published separately, or embodied in one of the periodical publications. L. V. D.

29*. THE PRICE OF PEACE: Notes on the World Crisis. By Harold Macmillan, M.P. 1938, October. (Privately printed. 8vo. 19 pp.).

This is a short *exposé* of the views of one who finds himself opposed to the Chamberlain policy of appeasement.

30. PEACE IN SIGHT? A Chronicle and Commentary on the War Crisis. By R. B. Mowat. 1938. (London: Arrowsmith. 8vo. 176 pp. 3*s*. 6*d*.).

PROFESSOR MOWAT does not answer the title-question himself, but in a series of fourteen studies sets before the reader material to help him form his own judgment. The subjects reviewed range from the Spanish and Sino-Japanese Wars, the Berlin–Rome Axis, Czechoslovakia and the Little Entente to the *Front Populaire* in France and Mr. Eden's resignation. A final chapter entitled "Hope" covers the September crisis down to the day of Munich. J. C. J.

31*. THE INTERNATIONAL WHO'S WHO, 1939. 1938. (London: Europa Publications, Ltd., in conjunction with Allen and Unwin. 4to. 1312 pp. £3 3*s*.)

Those to whom up-to-date biographical information on leading personalities in the international field is essential, welcome the annual publication of this volume for its comprehensive character and the time it saves by bringing together details often not easily obtainable from other sources.

32*. ARMAMENTS YEAR BOOK, 1938. 1939. (Series L.o.N.P. 1938. IX. 3.) (Geneva: League of Nations. London: Allen and Unwin. 8vo. 1114 pp. 25*s*.; $6·25.

The new edition of the *Armaments Year Book*, like its predecessors, contains detailed monographs on the organisation of the armies, navies and air forces of sixty-four States, members and non-members of the League of Nations, as well as the majority of colonies and colonial forces throughout the world. The monographs are in general divided into four chapters dealing respectively with land armies, air forces, navies and national defence expenditure.

The information has been revised and, as far as possible, brought up to date. The present edition embodies the changes which have taken place in the military organisation of the different countries up to September

1938. As regards budgetary effectives and expenditure on national defence, the figures for 1938 (or 1938–9) will be found in the case of the majority of countries.

The volume contains in appendices the Conventions, Treaties and Agreements relating to the limitation of armaments concluded between different countries from 1817 to 1938, and a number of recapitulatory tables on the characteristics of the armed forces of the different countries, the changes in military expenditure in the years 1932–7, and comparative statistics of the navies of certain Powers.

ECONOMICS AND FINANCE

33*. THE WORLD ECONOMIC SURVEY. SEVENTH YEAR. 1937/8. 1938. (Geneva: League of Nations; London: Allen and Unwin. 4to. 244 pp.)

THE Economic Intelligence Service of the League of Nations continues to perform its valuable functions. The World Economic Survey for 1937–8, prepared by Mr. J. E. Meade, is a volume of exceptional interest. It covers the period in which in a greater part of the world the upward movement of prosperity was reversed and the depression begun.

The League has done well to secure the services of Mr. Meade. The powers of thorough-going analysis and lucid exposition, for which he was already well known, are excellently employed in enabling the reader to pick his way among the wealth of statistical information which the League Service accumulates. We get a conspectus of the whole world process; and Mr. Meade goes as far as it is possible to go with safety in interpreting the process.

A reader of this volume is bound to feel that his time has been well rewarded by the greater comprehension of recent events to which it guides him. And if Mr. Meade is unable to predict with confidence whether we are destined to continue our downward path into gathering depression or may find sufficient factors of revival to bring a recovery quicker than the normal, he is not to blame. The tools at his disposal are not sufficiently precise for such prediction. He makes it less difficult to form a reasonable judgment and to be alive to the significance of the favourable or unfavourable factors as and when they may occur.

R. F. HARROD.

34*. INTERNATIONAL TRADE IN CERTAIN RAW MATERIALS AND FOODSTUFFS BY COUNTRIES OF ORIGIN AND CONSUMPTION, 1937. [1938. IIA. 20.] 1938. (Geneva: League of Nations; London: Allen and Unwin. 4to. 176 pp. 5s.)

THIS publication by the League of Nations is the result of an attempt to match up quantitatively all the exports of the chief foodstuffs and raw materials with the imports of the same commodities. The statistics presented embrace thirty-eight commodities which enter into international trade, and the necessary returns cover the imports of 123 different countries and territories and represent about 98 per cent. of the total world trade in 1936.

In the usual trade statistics the total quantities of any article imported into all countries never correspond exactly with the total quantities exported, for various reasons, among others the time lag between exports and imports, certain transactions which do not appear both in import and export statistics, and differences in the definition of " special trade."

After all the efforts of the League of Nations, the type of discrepancy

which still exists can be illustrated by the first two tables in the publication, for while in the case of butter the figures for world imports corresponded almost exactly with those of world exports, in the case of eggs the figure of total exports is 10 per cent. higher than the figure of total imports. All the tables contain a wealth of information clearly set out concerning sources of supply and countries of consumption of the chief primary commodities entering into international trade.

BARNARD ELLINGER.

35. MEXICO'S RESOURCES FOR LIVELIHOOD: A Study of the Influence of Foreign Ownership. By Alejandro Carrillo. 1938. (The Hague and New York: International Industrial Relations Institute, with the co-operation of the International Committee on African Affairs. 4to. 34 pp. 25 *c.*)

36. GOLD AND POVERTY IN SOUTH AFRICA: A Study of Economic Organisation and Standards of Living. By Max Yergan. 1938. (The Hague and New York: International Industrial Relations Institute, with the co-operation of the International Committee on African Affairs. 4to. 24 pp. 15 *c.*)

THESE pamphlets are reprints of papers prepared for a conference at The Hague in 1937 on The World's Natural Resources and Standards of Living. Mexico and South Africa are taken as typical countries developed by large-scale foreign investment and at the same time afflicted by deplorably low standards of living. The pictures presented would be displeasing to many who had invested money in these countries but the authors are not necessarily to be condemned on that account. Phrases like " the disparity between wages and fixed capital " indicate a certain crudity in the economic approach which is adopted, and the treatment of South Africa would be more significant if, instead of, or in addition to, insisting on the desirability of paying the native wage-earner more for the work in which he is now engaged, more emphasis were placed upon the desirability of allowing, and indeed encouraging, him to do work of a different kind. The South African pamphlet does not add much to what is already generally known. The facts relating to Mexico are less familiar, and though no doubt a good deal should be added to the information which is here made available, it is all to the good that attacks on complacency should continue.

ALLAN G. B. FISHER.

COLONIAL QUESTIONS

37*. GERMANY'S CLAIM FOR COLONIES. (*Information Department Papers No.* 23.) New Edition, revised and enlarged. 1939. (London: Royal Institute of International Affairs. New York: Oxford University Press. 8vo. 94 pp. map. 1*s.*)

The first edition of this Paper, published in May 1938, brought the history of Germany's colonial claims and of British official and unofficial reactions to them down to the time of the annexation of Austria. The new edition continues the story to the close of 1938, showing its developments since the Munich Agreement and taking account of the repercussions of the recent treatment of the Jews in Germany on public opinion in Great Britain. Statistics have been brought up to date where necessary, and special attention is given to recent official statements and unofficial views on the question of colonial readjustment in France, Belgium, Portugal, the Union of South Africa, Australia and British East Africa.

38*. GERMANS IN THE CAMEROONS 1884–1914: A Case Study in Modern Imperialism. By Harry R. Rudin. 1938. (London: Jonathan Cape. 8vo. 456 pp. 15s.)

THIS book, based on much arduous and conscientious research in the German colonial archives, gives a most welcome account of German rule in the Cameroons. The administrative system in the colony and the methods of imperial control are described in detail; and the chapters which discuss the economic yield of the Cameroons and the effects of German rule on the natives are of equal excellence. The initial chapter on the seizure of the Cameroons by the Germans and on the acquisition of further territory from the French in 1911 is less satisfactory, accepting as it does the German version at its face value; but to have treated this topic adequately would have carried Mr. Rudin far from his real centre of interest.

Mr. Rudin makes it clear that the Cameroons were neither profitable to Germany nor popular in Germany. It would have been far cheaper for the German State to pay traders not to go to the Cameroons, and they could appeal only to investors who preferred a bird in the bush to half a dozen in the hand. In short, the Cameroons were a made colony, which the German State maintained at great cost "for the general purposes of imperial greatness."

It is regrettable that Mr. Rudin has marred his excellent descriptive study by *dicta* on a subject entirely foreign to it, *viz.*, the question whether Germany should recover her former colonies. To answer this question many topics would have to be examined on which Mr. Rudin does not touch—a comparison, for example, between German colonial rule and the colonial rule of other countries; an account of the present condition of the Cameroons (whether, for instance, there are still the native rebellions which were so frequent under the Germans); and, above all, a discussion of the desirability of entrusting the present German régime with colonies. Mr. Rudin likes the German system for "the conspicuous absence of slogans about the high moral purposes informing colonial policies." But these slogans count for something; and one looks in vain for a German Lugard. A. J. P. TAYLOR.

39*. THE INTERNATIONAL SHARE-OUT. By Barbara Ward. [*Discussion Books No.* 17]. 1938. (London: Nelson. 8vo. 174 pp. 2s.)

40. NATIONAL SELF-SUFFICIENCY. By P. H. Asher. [*Discussion Books No.* 2]. 1938. (London: Nelson. 8vo. 188 pp. 2s.)

Both these little volumes, which are part of a new series of "discussion books," deserve a warm welcome.

Miss Ward has set out clearly and concisely the facts and figures of what has come to be known as the "colonial problem." Whose colonies produce what? What are the profits, and what the costs, of colonial possessions? What is the economic basis of the colonial claims of the dissatisfied Powers? These questions have been amply discussed during the past few years, and will continue to be discussed for many more; and Miss Ward's book is a handy and indispensable *vade mecum* for enquirers in this field. If I have a criticism to make, it is that she assumes too rigid and schematic a division between politics and economics. Does it really mean anything to say that Signor Mussolini's aim is not "relieving economic pressure," but "empire"? Twentieth-century imperialism, like nineteenth-century imperialism, is clearly the product of economic pressure; and to distinguish between

its political and economic objectives is to juggle with words. In the same way, I think Miss Ward over-stresses "the unimportance of political control" in determining the direction of trade. If "political control" means legal sovereignty, the statement is formally true (at any rate, in part), but not particularly significant. If "political control" includes alliances, understandings and those subtler forms of political influence which elude definition, the statement does not hold water at all. British occupation was not an unimportant factor in the British economic penetration of Egypt, nor German rearmament in recent German economic penetration of South-Eastern Europe. I hope that Miss Ward, having so competently mastered her material, will some day pursue that enquiry rather farther beneath the surface: she has every qualification for so doing.

Mr. Asher's *National Self-Sufficiency* covers more ground less systematically and in less detail. He does not aim at an exhaustive review of the facts, but enjoys sticking pins into popular assumptions and slipshod slogans; and he has written on these lines a stimulating little book. He sees "no reason why dictatorships will fall short of democratic governments in their ambition to keep the masses contented." "If colonies were a liability instead of an asset, they would go begging" (though I wish he had emphasised the importance of colonies as a reserve which can, and will, be more intensively exploited by the colonial Powers as pressure increases). The present phase of "economic warfare" is summed up in the suggestive phrase, "the Great Powers begin treating each other as colonial markets." Mr. Asher is nothing if not realistic; and few gleams of hope or encouragement lighten his pages. But his book, written in a popular and almost jaunty style, should encourage many readers to think more deeply about the real causes and character of our present discontents.

E. H. CARR.

LAW

41*. THE BRITISH YEAR BOOK OF INTERNATIONAL LAW 1938. Nineteenth Year of Issue. 1938. (London: Humphrey Milford. 8vo. vi + 316 pp., bibl. 16*s*.)

THE present issue is edited by Sir Cecil Hurst, the distinguished ex-President of the Permanent Court of International Justice, who again resumes the office of Editor which he resigned ten years ago. It contains several scholarly articles of current legal importance. Sir John Pratt analyses the juridical situation of the international settlement at Shanghai, particularly in its relation to the French concession there. He describes, concisely and clearly, that what is now known as the International Settlement was British in origin and that it became international because the subjects of other States were allowed to take up land in the settlement. Professor Gutteridge deals with the complicated issues of jurisdiction arising, in private international law, over conflicts in matrimonial suits. He is of the opinion that if world-wide unification is to be attained, it is essential that domicile, and not nationality, should be taken as an agreed basis of competence. In exceptional cases, such as that category of cases where the spouses are not only domiciled in different countries but are also of different nationality, Professor Gutteridge proposes an ingenious solution allowing the parties to resort either to the Courts of their last common domicile or to those of their last common nationality.

Professor Garner contributes a very able article on "The United States Neutrality Law of 1937" which replaced previous legislation on the subject and was intended to be permanent except with respect to the "cash and carry" provision, limited to two years. The new principles of neutrality advocated by the United States are not only characterised by a striking departure from the American traditional policy, but they confer also unusual and novel discretionary powers upon the President. His refusal to put the new legislation into effect in the war between China and Japan indicates, as Professor Garner points out, that it will be allowed to become virtually a "dead letter."

In an interesting article on the "Interpretation and Application of Municipal Law by the Permanent Court," Mr. C. W. Jenks shows that its functions are not limited to international law, but that it has had in the past, and it is desirable that it should have in future, the opportunity to construe and apply municipal law. Mr. J. G. Starke expounds the view that a knowledge of the doctrine of "imputability" applied to the law of "international delinquency" would render the subject more lucid and lead to greater scientific exactness. Dr. W. Friedmann, on the other hand, examines the alarming increase of State control over the individual in its effects upon the principles of international responsibility. The growing interference of States in financial and commercial spheres, formerly reserved to individuals, makes it imperative that the rules regarding their immunity from jurisdiction should be revised. In an article on the "Immunity of the subordinate personnel of a diplomatic mission," Mr. S. H. Brookfield compares the issues raised by the House of Lords decision in *Engelke* v. *Musman*, with earlier cases and with the practice of the Foreign Office, which suggest that attention should be directed to the functions of the particular official involved, rather than to his title.

The present volume includes two able articles of topical interest: (*a*) the Abolition of the Capitulations in Egypt, with an excellent historical summary and (*b*) an examination of the "Nyon" Arrangements which leads to the conclusion that they did not purport to extend by treaty the scope of piracy under international law. As in previous volumes, the issue also contains several important editorial "notes," together with an exhaustive review of international cases and books.

C. JOHN COLOMBOS.

42. LE RÉGIME DES BAIES ET DES GOLFES EN DROIT INTERNATIONAL. By Jean Mochot. 1938. (Paris: Librairie Nizet et Bastard. 8vo. 191 pp.)

As Professor de La Pradelle states in an admirable introduction to this book, the controversy about the legal nature of the sea has agitated the mind of international jurists for many centuries without ever reaching a generally accepted conclusion, as the failure of the Hague Conference in 1930 abundantly proves. Dr. Mochot attempts in this carefully-planned-out book to seek a solution of the problem on the basis of the freedom of the seas except where national defence, the protection of customs and fisheries and the exigencies of neutrality render a restriction in favour of the littoral State absolutely necessary. In the case of bays which are bordered by the territory of a single State and which are not more than six miles in width, the solution is simple, as the bay is then deemed territorial. For all other bays, however, the dictum of Lord Salisbury in 1895 still remains true, "that the question is unsettled in international law and the limit not

fixed." One is therefore forced to the unsatisfactory conclusion that the case of each large bay must be determined on its own merits, and that a claim for a wider extent than six miles rests for its success upon the ability of the territorial State to prove affirmatively the existence of prescriptive or historical rights.

The author concludes his accurate examination of bays and gulfs by upholding the principle that a State is not entitled to extend its dominion over the seas in new directions except in conformity with the " mutual interests of all " and by delegation of " the international community." An obvious criticism of this doctrine is that there is at present no such international body capable of laying down rules governing the legal régime of bays and gulfs, although its creation would be extremely desirable if the principal maritime States were to agree to its establishment and to its jurisdiction to legislate on all questions of maritime international law which still remain unsettled.

C. JOHN COLOMBOS.

43. TRAITÉ SUR LES FONCTIONS INTERNATIONALES DES CONSULS. By J. Irizarry y Puente. Translated by C. Schlegel. 1937. (Paris: Pedone. 8vo. 484 pp. 100 *frs.*)

THE classical text-books on international law of necessity only touch in brief outline on the position of consuls. Apart from these works most of the other authorities dealing with the subject were written as practical guides to the consuls of a particular country. The present treatise, therefore, covers new ground, in that it discusses with great thoroughness and detail the status, privileges, immunities, powers and duties of a consul in international law.

The principles stated in this book have been collected from a very wide field of authority, including consular treaties and conventions, the works of leading jurists, State papers, and decisions of the courts, and the thoroughness of the work is illustrated by the fact that references are made to the law, opinion or practice of more than forty-five States. From this mass of authority, often conflicting, the author has endeavoured to abstract the fundamental principles and to discover if possible an element of uniformity in the differing conceptions of international law obtaining in various countries.

The subject of this review is the French translation of the original work published in America. I have not seen the latter, but in its French form the treatise suffers the grave defect that it has no index either of cases or of contents, and the readet has to obtain what guidance he can from a brief table of chapter headings. It is unnecessary to stress the crippling effect of these deficiencies on a legal text-book, however admirable in content. A bibliography would also be useful.

A. A. MOCATTA.

PEACE TREATIES

44*. THE TRUTH ABOUT THE PEACE TREATIES. By the Rt. Hon. David Lloyd George, M.P. 2 vols. 1938. (London: Gollancz. 8vo. 1471 pp. 18*s.* each volume.)

No sensible reader will complain if Mr. Lloyd George is not a perfectly impartial chronicler of the Peace Conference in which he played so notable a part. By training, and perhaps by temperament, he is a special pleader; and in these volumes he is often a pleader *pro domo*

sua. Yet it would be unfair to question, on these grounds, and still unfairer to deny the importance of his testimony.

It is testimony that cannot be ignored. Parts of it may be—nay, are—susceptible of refutation. And, in some cases, refutation might easily take the form of personal criticism as severe, if not as acrimonious, as that which he directs against the statesmen whom he disliked. Some of them are dead, and can no longer answer him at first hand. Colonel House, the faithful friend and wise counsellor of President Wilson, is among these. Others, notably ex-President Beneš (whom Mr. Lloyd George wrongly describes as the "Prime Minister" of Czechoslovakia during the Peace Conference), are still living. They may one day answer him in terms less harsh than those which he applies to them, though perhaps more telling in their accuracy.

One weighty influence upon the character of the Peace Conference, and one which Mr. Lloyd George could not be expected to appreciate, was precisely the effect of his own agile personality, and of his versatility as a tactician, upon the other delegates with whom he had to deal. Yet it accounts for much that he would naturally find displeasing. And some of his positive statements—*e.g.*, upon the unbroken harmony which, he thinks, marked his relations with M. Clémenceau and President Wilson at the Peace Conference—would not be hard to disprove on M. Clémenceau's own evidence.

But when all is said and done, when Mr. Lloyd George's rancours and dislikes are discounted and his comprehensive ignorance of many matters is recognised, these volumes remain a valuable source of historical knowledge. Both by reason of the documents they reproduce and, still more, as a revelation of their author's temperament and outlook, they will be indispensable to students of history.

As literature, too, not a few of his pages have high merit. They are alive with wit, apt simile and shrewd observation. Though they may be polemical in tone, biased in judgment, and unforgiving in temper, they are well written. Broadly, too, his defence of the Peace Treaties and his analysis of the reasons for the progressive failure of the Versailles settlement carry conviction—provided that one of the reasons for which he was directly responsible be not forgotten. This reason was the refusal of his Government to maintain, unequivocally and forthwith, the British part of the joint Anglo-American guarantee of French security when the United States went back on its own part. To this lamentable lack of foresight, which Mr. Lloyd George himself tried to redeem at the Cannes Conference of 1922—when it was too late—the French occupation of the Ruhr in 1923 and many other untoward consequences are attributable. Had Great Britain been better than her word in 1920, instead of standing on the letter of a bond for which France had paid in advance, the history of the Peace Treaties might have been very different.

Still, if Mr. Lloyd George has written a passionate footnote to history rather than the full "Truth About the Peace Treaties," ought he to be set down as an unfaithful scribe? Were he capable of writing with judicial temper, he might not have been capable of the impassioned vigour which enabled him, more than any man, to bring Great Britain through the Great War undefeated. His work, like its author, has the defects of his qualities; and one hardly knows whether, in him, it is a quality or a defect that he should be to his own faults a little blind.

WICKHAM STEED.

44A*. BREST-LITOVSK: THE FORGOTTEN PEACE, MARCH 1918. By John W. Wheeler-Bennett. 1938. (London: Macmillan. 8vo. xx + 478 pp. 21s.)

THE treaty of Brest-Litovsk, the first peace treaty to be signed in the War of 1914–18, was annulled when Germany collapsed eight months after its signature, and was soon forgotten in the hurly-burly of the great peace settlement. It was, nevertheless, a striking and important episode. The documents, including the memoirs of several of the delegates, are all available; and Mr. Wheeler-Bennett, besides knowing the German background intimately, has had the advantage of personal conversations with Trotsky and Radek. The vividness and completeness of the narrative are what these qualifications would entitle one to expect.

Mr. Wheeler-Bennett's remarkable biography of Hindenburg had, however, raised our hopes high; and it is perhaps for that reason that the present reviewer is conscious of being slightly disappointed by this volume. Good though the narrative is, there are too many signs of hasty writing. "Lack of Slav mysticism" (p. 138) is a poor explanation of the failure of Bolshevism among the workers of Western Europe. "The principles of Brest-Litovsk" and "the psychology of Brest-Litovsk" are badly over-worked (the latter is even involved in a surely fantastic attempt to explain the recent treason trials); but Mr. Wheeler-Bennett fails to consider very seriously what they imply. By what standard is Brest-Litovsk to be condemned? Clearly not by that of the far harsher treaties of 1919. If Germany had not, for reasons quite unconnected with it, lost the war, could the German invasion of the Ukraine have been regarded as a blunder? Mr. Wheeler-Bennett's book suggests many such questions, but provides no answers—or only conventional answers—to them. Such things apart, his account of the treaty itself, and of the proceedings leading up to it, is in every way admirable, and fills a gap which badly needed filling.

E. H. CARR.

45*. ITALY AT THE PEACE CONFERENCE. By René Albrecht Carrié. [*The Paris Peace Conference—History and Documents.*] 1938. (New York: Columbia University Press; London: Humphrey Milford. 8vo. xv + 575 pp. 27s.)

THE author seems to have had difficulty in determining the precise scope of his study; and the Treaty of London rather than the Peace Conference is its central theme. He deals fairly fully with the conclusion of the Treaty, and with the negotiations between the Italians and the Yugoslavs in the last year of the War. The treatment of the Italo-Yugoslav question by the Peace Conference is related in full detail, and the documents are collected in an appendix which occupies a third of the book and gives it much of its usefulness. The narrative is carried down to the Treaty of Rapallo in 1920, but not farther. Other parts of the Treaty of London are skimpily treated, since the Peace Conference did little about them. Italy's colonial claims are dismissed in a few pages. There is a slightly longer account of the Turkish question, including a summary of the relevant provision of the Sèvres Treaty; but this section is very superficial, the St. Jean-de-Maurienne Agreement being, for instance, barely mentioned. No general estimate

is attempted of Italy's position at the end of the War or of her policy at the Peace Conference. E. H. CARR.

BRITISH COMMONWEALTH OF NATIONS

46*. THE BRITISH COMMONWEALTH AND THE FUTURE: Proceedings of the second unofficial conference on British Commonwealth Relations, Sydney, 3rd–17th September 1938. Edited by H. V. Hodson. Issued under the joint auspices of the Royal Institute of International Affairs and of the Canadian, Australian, New Zealand, South African and Indian Institutes of International Affairs. 1939. (London: Humphrey Milford. 8vo. xvi + 336 pp. 8*s.* 6*d.*; to Members of the R.I.I.A., 6*s.*)

IN days when diplomatists and publicists are suggesting either the immediate break-up of the British Commonwealth or at least the transfer of its centre of gravity to Canada, this book comes as a wholesome and beneficial tonic. For despite the differences of opinion between the delegates, the discussion shows that at this conference there was a frank realisation of the problems which have to be considered, and I think it makes some suggestions, if not towards their solution, then at least to their better understanding.

As the Editor states in the Preface to this very interesting record, the plan of the book follows that adopted for the proceedings of the previous conference held at Toronto in 1933. It falls into two parts, one being an analysis of the agenda and of the preliminary work done before the conference began; and the other an account of the conference meetings themselves.

The conference was divided into four commissions. The first dealt with a consideration of the interests of the individual nations of the Commonwealth; the second, external policies in their economic aspect; the third, external policies in their political and strategical aspects; and the fourth, the future of the Commonwealth as a co-operative organisation. The reports of the Recorders of each of these commissions have been printed in full, and they contain the many and different contributions made in the discussion which took place.

Mr. Hodson, the Editor, contributes two chapters which to the outsider are more interesting than the conference reports. The first is a review of the national interests of the member nations. The second contains a survey of the discussions at the conference, and this survey covers a variety of topics all of which are of paramount importance. Here again he does not attempt to hide the differences, and he reveals the conflicts of ideas which were both real and apparent.

This book is intended as a record of what took place, and both the plan of the Steering Committee and the way it has been carried out are to be commended. After reading it through you can picture the events and the conference, and even feel that you have heard the discussion. Having said that, I cannot help thinking that a better contribution would have been made to the discussion of the problems of our Commonwealth if Mr. Hodson had been free to throw the records aside altogether and, with the conference discussions as a background, had written an essay on the problems of the Commonwealth and its future. R. W. G. MACKAY.

The following is a list of supplementary studies prepared for the British Commonwealth Relations Conference, 1938 *and issued in mimeographed form.*

ISSUED BY THE CANADIAN INSTITUTE OF INTERNATIONAL AFFAIRS :

Series A : Price $1 or 4*s.* Postage 6*d.*

No. 1. Population Policies : The Economic Policies necessary to implement them, by D. A. MacGibbon.
No. 2. A French–Canadian View of Canada's Foreign Policy, by Jean Bruchési.
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No. 4. Which Way Canada ? by R. G. Trotter.
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No. 6. A Review of Economic and Financial Conditions in Canada (April 1938), by J. F. Parkinson.
No. 7. Canadian Tariff Policy, by W. A. Mackintosh and K. W. Taylor.

Series B : Price 25 cents or 1*s.* Postage 3*d.*

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No. 2. Relations between English and French–Canadians, by a Representative French–Canadian Business Man.

Series C : Price 50 cents or 2*s.* Postage 3*d.*

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No. 2. Debate in House of Commons (Ottawa) on Canadian External Policy, July 1st, 1938.
No. 3. Memoranda on Canadian Defence.

Series D : Price 5 cents or 3*d.* (including postage).

Debates in House of Commons (Ottawa) on Canadian External Policy, May 24th, 1938. Published by the King's Printer, Ottawa.

Series E : Price 35 cents or 1*s.* 6*d.* Postage 3*d.*

No. 1. Political Parties in Canada and External Affairs. Anonymous.
No. 2. The Propaganda Media in Canada, by G. V. Ferguson.
No. 3. The United States and the Commonwealth, by George Luxton.

Canadian Neutrality—The Constitutional Power, by J. B. Coyne, K.C. A mimeographed volume of 101 pp., prepared for the use of the Canadian Delegation. Price 75 cents or 3*s.* Postage 6*d.*

ISSUED BY THE AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS :

Series A . Price 2*s.* each series. Postage 3*d.*

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No. 2. The Future of the Australian Population, by A. Smithies.
No. 3. Migration, by R. B. Madgwick.
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Series B :

No. 1. The Development of Australian Industry, by H. Burton.
No. 2. The Australian Tariff, by W. S. Kelly.
No. 3. Australia's Foreign Trade Treaties, by C. A. S. Hawker.
No. 4. Monetary Policy in Australia, by D. B. Copland.

Series C :

No. 1. The Financial Nexus between England and Australia, by G. L. Wood.
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No. 3. The Strategic Position of the British Empire, by F. W. Eggleston.
No. 4. Cultural Co-operation in the British Commonwealth, by W. S. Sheldon.

Price 2*s.* each series
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Series D:
No. 1. Political Parties in Australia, by G. V. Portus.
No. 2. Australian Foreign Policy—Formation and Expression of Australian Opinion, by E. A. Ferguson, T. P. Fry, J. G. Holmes and A. Murray Smith.
No. 3. The Defence of Australia, by P. F. Irvine.
No. 4. What the League of Nations Means to Australia, by F. Aarons.

Series E:
No. 1. Australia's Interests in the Pacific Basin, by a Canberra Study Group.
No. 2. Australia's Relations to other Pacific Countries, by A. C. V. Melbourne.
No. 3. The Australian Native Dependencies in the Pacific, by Marjorie G. Jacobs.

ISSUED BY THE IRISH GROUP.

Price 2*s.* 6*d.*
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Preface, by Donal O'Sullivan.
The Origin and Growth of Modern Irish Nationalism, by Michael Tierney.
Ireland in Relation to the Commonwealth, by T. W. T. Dillon.
Economic Policy and Population in Eire, by James Meenan.
Irish Defence Problems. Anonymous.

CONFERENCE BIBLIOGRAPHY.

A selected Bibliography on British Commonwealth Relations was prepared for the Conference by Miss Margaret Cleeve at Chatham House and printed in October 1937. Mimeographed Addenda to the Bibliography were produced in March and July 1938.

Copies of the Bibliography and Addenda are obtainable from Chatham House.

Price 1*s.*
Postage 2*d.*

47. RECOGNITION AND ENFORCEMENT OF FOREIGN JUDGMENTS IN THE COMMON LAW COUNTRIES OF THE BRITISH COMMONWEALTH. By Horace Emerson Read. [*Harvard Studies in the Conflict of Laws*, No. 2.] 1938. (Cambridge, Mass.: Harvard University Press; London: Humphrey Milford. 8vo. xiv + 374 pp. 17*s.*).

BRITISH EMPIRE law schools ought to be ashamed that it is left to an American to produce this work, and very grateful to him for thus pioneering their own territory for them. It is a model of that thoroughness, combined with breadth, in the treatment of a single topic which we have learned to expect from the Harvard Law School.

It is typical and praiseworthy that only Book III is concerned with the actual subject-matter of the work, the enforcement of foreign judgments. This, with the appendices, will form a useful handbook for practitioners. Book II is a learned monograph in the jurisdiction of foreign courts which is a valuable contribution to the literature of conflict of laws. Book I, which is concerned with the legal nature of foreign judgment and deals incidentally with the law districts in the British Commonwealth, will make good material for legal philosophers, and salutary reading for naïve Austinian monists.

R. T. E. LATHAM.

48. RURAL AUSTRALIA AND NEW ZEALAND. By Edmund de S. Brunner. [*Studies of the Pacific*, No. 2]. 1938. (New York: American Council, Institute of Pacific Relations. 8vo. xiii + 70 pp. $1.50.)

DR. BRUNNER has made use of the opportunity afforded by a lecturing engagement at the conferences of the New Educational

Fellowship in Australia and New Zealand in 1937 to write a report for the United States Department of Agriculture on some of the rural problems of these countries which had special interest for people in the United States who were working in a similar field. He disclaims for his report any status higher than that of journalism, but he has succeeded in making a concise statement which should be of value to readers in other countries. He spent only seven weeks in New Zealand, and there are one or two minor errors which might be questioned by readers with a longer experience. But as in some cases where local readers would combine in thinking that Dr. Brunner was wrong they would probably disagree about the exact nature of his error, it may reasonably be concluded that his task has been fairly carried out.

A. G. B. F.

EUROPE

49*. LES CONSTITUTIONS DE L'EUROPE NOUVELLE, avec les textes constitutionnels. Nouvelle édition entièrement refondue et augmentée. 2 vols. By Professor B. Mirkine-Guetzévitch. 1938. (Paris: Delagrave. 8vo. 639 pp.)

THE preface to this new edition of *Les Constitutions de l'Europe Nouvelle* points out that circumstances have made simple revision and augmentation impossible; a new book was necessary in order that constitutional changes should be recorded and commented on adequately. Professor Mirkine-Guetzévitch in his introductory essay surveys the constitutional scene since 1930, and gives a most illuminating and interesting analysis of causes and tendencies in the field of constitutional law, producing the present weakness of democracy and the trend towards dictatorship. As he sees it, the "new absolutism" of the dictators to-day does not mark the end of a struggle between liberty and absolutism dating from the French Revolution, but is merely an episode in that struggle. The constitution-makers of 1919 fell into the same error as those of 1789 in France; they failed to understand the fundamental importance of the executive, and were victims of "the same superstition with regard to the separation of powers." The executive is the creative force and basis of parliamentary government, and ought to have a monopoly of legislative initiative. But, under the constitutions set up in Europe after the Great War, based on the supremacy of the legislature, this essential *legal* power of the executive has been replaced by extensive *political* powers, undefined, and therefore open to abuse. Hence the political equilibrium has been upset and extreme courses have followed. Professor Mirkine-Guetzévitch goes on to discuss the dictatorship from a constitutional standpoint, and he has an interesting short section on the Austrian Constitution of May 1st, 1934 ("un document curieux de la régression politique"), which has so rapidly become a "museum piece."

H. G. L.

50*. GUNS OR BUTTER. By R. H. Bruce Lockhart. 1938. (London: Putnam. 8vo. 382 pp. 10s. 6*d*.)

MR. BRUCE LOCKHART'S pen is as easy and fluent as ever; his powers of description and analysis have improved sensibly as a result of his journalistic experience; the approaching middle age which he laments has had little apparent effect on his vitality. When one considers further how long is his experience, how wide his

acquaintanceship with Central Europe, it is clear that anything which he writes upon it will be worth reading. The present volume is a record of a lecture tour made by the author in Yugoslavia, Bulgaria, Roumania and Czechoslovakia last spring (with a glimpse of Austria at the moment of occupation). It contains pleasant travel sketches and shrewd comments enough—which are seldom unjust—on the situation. If it is obviously less important than Mr. Lockhart's earlier books, this is because he is now only a spectator, and not an actor; also here he has made a few weeks' travel fill a whole book. But he is very right in his insistence of how South-Eastern Europe is growing up. C. A. MACARTNEY.

51. DER ZAUBERER: Leben und Anleihen des Dr. Hjalmar Schacht. By Norbert Mühlen. 1938. (Zurich: Europa Verlag. 8vo. 222 pp. Kart., *fr.* 6; Lein, *fr.* 8.)

52*. HITLER'S MAGICIAN SCHACHT: The Life and Loans of Dr. Hjalmar Schacht. By Norbert Mühlen. Translated by E. W. Dickes. 1938. (London: Routledge. 8vo. 228 pp. 10*s.* 6*d.*)

BY most people Dr. Schacht is well known as a German banker of international repute: by many he is recognised as having been the virtual controller of National Socialist finances from the advent of Hitler to power until his recent dismissal. By comparatively few, however, is the real extent of his activities realised. They are described at length and with considerable ability in Norbert Mühlen's book. In the Nazi programme of 1933 in its reference to German External Debt appeared the words "The breaking of the Bondage to Interest is the core of National Socialism." This first task set by Hitler to his "Magician Schacht" was carried out with amazing subtlety and thoroughness.

To-day, but five years later, we are confronted by a world economically transformed by a new technique of governmentally controlled trading evolved by this same man, so skilfully devised that only now are we coming to a full realisation of its implication and danger to ourselves.

The book has its weaknesses. Tendentious statements such as, "X had saved about $2,500; he wanted to invest the money well and *safely and entirely unspeculatively;* what about a German State Loan—6 per cent. at 52·88!"

Also certain inaccuracies such as the statement (p. 144) that in 1937 the U.S.A. granted a loan of $60,000,000 to Brazil; but they are small blemishes in an interesting work. L. C. DENZA.

53. ESPAGNE CREUSET POLITIQUE. By Henri Rabasseire. 1938. (Paris: Editions Fustier. 8vo. xv + 190 pp. 20 *frs.*)

THIS book on the Spanish war would have been of greater value if the author—whose identity is concealed by a pseudonym—were less confused and diffuse. There is much interesting material both on the events leading up to the war and the situation on the Government side since the war.

M. Rabasseire is primarily concerned with the social conflicts, and has collected some useful data on the economic condition of Spain. His account of the foreign vested interests—English, French, German and Italian—is particularly illuminating. He says, for example, that General Mola—killed in an aeroplane accident during

his offensive against the Basque country—was Anglophile. Since the fall of the Basque country German influence there has been predominant.

The second part of the book deals with the progress of the war, but principally with the effect that foreign intervention on the insurgent side has had on the social revolution in Government territory. He considers that the social revolution has been sacrificed to the need for centralisation and military organisation. "La révolution du peuple, sociale et libertaire, est transformée en révolution nationale. Mais le peuple espagnol n'aura pas dit son dernier mot."

HELEN F. GRANT.

54. DIPLOMAT IM ROTEN MADRID. By Felix Schlayer. 1938. (Berlin: F. A. Herbig. 8vo. 231 pp. *Rm.* 4·80).

THE crime and disorder which took place in Madrid and Barcelona in the first few months of the Spanish conflict have had many chroniclers. Herr Felix Schlayer, a German business man who held the sinecure appointment of Norwegian Consul and, in the absence of the Minister, was required to act as Chargé d'Affaires, has nothing very new to narrate. But his tale of the grisly episodes of those feverish days—which he attributes, of course, to agents of the Bolshevist Revolution—loses nothing in the telling. Herr Schlayer remained until July 1937 and then, one gathers, left in a hurry, having succeeded in falling foul of almost everyone in any position of authority.

There are some interesting details of the unsavoury conditions in the prisons and of the relief work which the Embassies and Legations contrived to do—activities which were bound to be construed as "giving assistance to Fascists." But the author's class-prejudice (if that is the right word) is patent, and this detracts from the value of his circumstantial evidence. A nation's masses stirred to anger and desperation are certainly no pleasant experience: but, lest judgment be distorted, it is well to bear in mind that "atrocities" of the same kind and in the same degree were being perpetrated on the other side.

W. HORSFALL CARTER.

55*. BRITONS IN SPAIN: A History of the British Battalion of the XVth International Brigade. By William Rust. 1939. (London: Lawrence and Wishart. Sm. 8vo. 212 pp. *2s.*)

56*. LE REDRESSEMENT FINANCIER AU PORTUGAL. By P. Gilles. 1938. (Paris: Librairie Générale de Droit et de Jurisprudence. 8vo. 229 pp. 35 *frs.*)

THIS is a detailed and well-conceived summary of Portugese finances from March 1928, when Dr. Salazar (to whom the book is dedicated) became Minister of Finance, until the end of 1936. The book is divided into four parts. The first part deals shortly with the finances of Portugal before the War and up to Dr. Salazar's appointment; the second sets out the essential changes made since then in the Constitution and in the political organisation of the country; and the fourth analyses the scheme for economic reconstruction introduced by the Law of May 24th, 1935, and then describes the righting of the finances of the colonies. The third part, which occupies over half the book, records Dr. Salazar's achievements in all departments of State finance—taxation, budgetary technique, public debt, currency, etc. This account of the rehabilitation of Portugal's finances by strictly orthodox methods is well worth reading, particularly by anyone who has to do with public finance.

C. RIDDELL WILLIAMS.

57. PHILIPPE BERTHELOT. By Auguste Bréal. 1937. (Paris: Gallimard. 8vo. 250 pp. 20 *frs.*)

MONSIEUR AUGUSTE BRÉAL, the painter, has eschewed colour and oils, and has had recourse to Gutenberg's tool-box for his portrait of his life-long friend, which is all the more subtle for being in black and white.

In spite of the sequence of events, there is nothing romantic or dramatic in this biography of one of the outstanding figures of the twentieth century. For this aspect Giraudoux's novel *Bella* on the Berthelot–Poincaré feud is worth reading.

In this book, almost overcrowded with detail, the writer portrays his subject against the background of European history leading up to the Great War and culminating in the complicated network of international conferences, in which M. Philippe Berthelot played a practically unseen, but all-important part. To a question by a British statesman (page 195) as to his rôle in the French Foreign Office, his reply " tout et rien "—all and nothing—gives the key to his personality.

His English friends will be interested by the text, to be found at the end of the book, of the address which M. Philippe Berthelot was to have read at a banquet in London, intended to be given in his honour by the Franco-British Association, on the eve of his death in November 1934. GASTON A. VETCH.

58. THE TRAGIC PENINSULA: a History of the Macedonian Independence Movement since 1878. By Christ Anastasoff. 1938. (St. Louis: Blackwell Wielandy Co. 8vo. xv + 369 pp. $3·00.)

THIS book advocates an independent Macedonia. It is devoted to the Bulgarian cause, and naturally supports Bulgarian claims as advanced by the Macedonian Committee. It is designed as a history of conditions and events in Macedonia from the Treaty of San Stefano to the present day, and is particularly concerned with the actions and personalities of the Macedonian Revolutionary Organisation. The book can hardly rank as a critical and historical inquiry or discussion, though the account given of the Macedonian Revolutionary Organisation, and especially of the disastrous rising of 1903, contains useful information.

The book as a whole, however, is badly proportioned and shows lack of judgment and self-criticism. This is unfortunate, because the author is well equipped for stating clearly the Bulgarian point of view. Instead he has written something more like an appeal to emotion than to reason and historical facts. There is considerable variety in the spelling of place-names, and misprints are too frequent. The bibliography is useful, especially for books in Slavonic languages, but is incomplete, since it lacks, for instance, works in Greek or Roumanian. The two impressions left by the book are pity at what can be done in the name of liberty and nationalism, and disgust at the cynical and brutal policy of Abdul Hamid. A. J. B. WACE.

59. LA QUESTION DE MACÉDOINE ET LA DIPLOMATIE EUROPÉENNE. By Assen Iv. Krainikowsky. 1938. (Paris: Marcel Rivière. 8vo. 339 pp. 50 *frs.*)

No Balkan writer can write impartially about the Macedonian question, long the apple of discord between the States of South-Eastern

Europe, whose "coveted land" was that mixture of rival nationalities. The author, a Bulgarian, considers that all attempts to solve the question on ethnographic, linguistic or historic lines are fruitless; he prefers "autonomy to anatomy," and proposes an independent, neutral, Macedonian State, a Balkan Switzerland, forming with the other Balkan States a *Zollverein*. This solution would scarcely satisfy the non-Bulgarian States, for he admits that Bulgarian statesmen advocated Macedonian autonomy as a step towards Union with Bulgaria. He ignores the fact that since the exchange of populations, Greek Macedonia is overwhelmingly Greek, the small Bulgarian element there being mostly at Florina. He omits to mention that Yugoslavia has an outlet on the Aegean at the "Serbian free zone" of Salonika.

Like many foreigners, he ascribes Macchiavellian motives to British diplomacy, even to Grey. But, as English books are quoted in French or Serbian translations, he presumably does not know our language or psychology. The account of the birth of the revolutionary organisation in 1893 and of the revolt of St. Elias-day 1903 is interesting. He concludes with tables of statistics of the various elements of the population; but, as the Warden of New College once said: "Balkan statistics, like the figures in Herodotus, must be reviewed with caution."

WILLIAM MILLER.

60. THE SYNDICAL AND CORPORATIVE INSTITUTIONS OF ITALIAN FASCISM. By G. Lowell Field. 1938. (New York: Columbia University Press. London: P. S. King. 8vo. 209 pp. 12*s*. 4*d*.)

IN his book Mr. Field gives an excellent analysis of Italian Fascism as a political system without any attempt at its evaluation as a working whole. It is a scholarly book, free from political bias, made vivid and readable by quotations of actual debates and points from conversations with Italians. He defines with precision the functions of the Syndicates and clears up a good many obscure points in regard to those elusive bodies, the "Corporations," which in time are to substitute the present Italian Parliament. The chapters dealing with collective labour contracts, paid vacations and provisions concerning the safeguarding of the worker in cases where a business changes hands are specially worthy of note. One wishes there had been a fuller account of the *dopolavoro* (leisure-time occupations) which forms a definite part of the syndical system and is one of the greatest achievements of Fascism.

ANNA STURGE.

61. THE PLOUGH AND THE SWORD: Labour, Land and Property in Fascist Italy. By Carl T. Schmidt. 1938. (Columbia University Press, Oxford University Press. 8vo. vii + 197 pp., bibl. $2.50, 12*s*. 6*d*.)

THIS work on a complicated subject has been compiled with much diligence. There is a wealth of statistics on every page. But neither statistics nor other documents tell the whole tale. In Italy, where the manner of cultivating the soil varies so enormously owing partly to the nature of the land and partly to immemorial custom (which can only be changed little by little), it is desirable to study on the spot the working of any particular system in order to pass judgment on it. Nearly half the population of Italy is rural. Whether the life of the peasant in terms of money has improved under Fascism is

uncertain, but there is no doubt that in North and Central Italy he is working under more orderly conditions, and his housing is steadily improving. The expenditure on rural housing between 1929 and 1935 was 285 million lire. Mr. Schmidt considers this inadequate in comparison with the vast sums spent on land reclamation. But why compare the two? The housing is a matter of immediate necessity which in many cases requires little expenditure, whereas land reclamation must be done on a large scale in order to be profitable and will benefit future generations. Some explanation is necessary in regard to the "dwarf holdings" (2½ acres and under). Many of these, particularly in Tuscany, provide a good living for the share tenant, the fertile soil yielding oil, wine and wheat together. The small mountain farms that produce sacramental wine and chestnut meal are also very profitable. Many other examples could be given. Mr. Schmidt seems shocked that there should be so many large estates in Italy. But here also there should be a word of explanation. In Central Italy and parts of the North these big estates are largely composed of share-tenant farms giving a comfortable living to large numbers of families. There is not the least doubt that Mussolini has remained a countryman at heart. "Mussolini understands, he is one of us," is a phrase one constantly hears in the mouth of the peasant. Mr. Schmidt, on the other hand, is a townsman, or he would not say: "The agricultural population of Italy is overwhelmingly proletarian in economic status if not in sentiment."

It is impossible to estimate the well-being of an Italian peasant in mere terms of money. Such factors as exchange of labour and barter of commodities do not always appear in the accounts, but are none the less important economic items. Another generalisation: at best the diet of the Italian working population—urban and rural—has been inadequate. In Italy there is a 2000-year tradition in food: bread, oil, wine, salad and fruit. Add to this either rice, dried beans or *pasta*, and meat twice a week on an average, and you have the staple diet of all but the very poor, in North and Central Italy. As a rule the food is excellently prepared and the cost infinitesimal. Mr. Schmidt's book is well worth reading and contains much controversial matter.

ANNA STURGE.

62*. ITALIAN FASCISM. By Gaetano Salvemini. [*New People's Library*, Vol. XIII.] 1938. (London: Gollancz. 8vo. 94 pp. 1*s.*; bound, 1*s.* 6*d.*)

This is a concise account of Fascism both in theory and practice. It deals with the constitution of the dictatorships, and the economics and foreign policy of Fascism, and portrays the situation in Italy at the present time.

LES MAÎTRES DE LA FRANCE: Tome III—La Féodalité Financière dans les Transports, Ports, Docks et Colonies. By Augustin Hamon. 1938. (Paris: Éditions Sociales Internationales. 8vo. 349 pp. 25 *frs.*)

M. Augustin Hamon plods his ponderous way through the jungle of "interests" enveloping France's Little Man. This is Volume III of the collection on *Les Maîtres de la France*, the first two having dealt with finance proper (*i.e.*, the banks) and the insurance and newspaper world respectively. The detailed analysis of individuals occupying the various vantage-points in the outworks of the fortress is something prodigious.

W. H. C.

64*. ASPECTS JURIDIQUES DE L'INDÉPENDANCE ESTHONIENNE. By Gabriel Heumann. 2e édition. 1938. (Paris: Pedone. 8vo. 169 pp. 35 *frs.*)

DR. HEUMANN'S book is an exposition of the creation and early development of the State of Estonia. The history of Estonia, one of the new states born on the territory of the former Russian Empire, abounds in most interesting features, which are thus summarised by the author: the Estonian national will at first contemplated only a simple autonomy, then at most membership of a federation, but under pressure of exceptionally favourable events—*viz.*, a desire on the part of other states to intervene in the affairs of Estonia's mother country, Russia, and to fight the Soviet régime—created a new State, which in the course of a very short time became independent, interventionist and even itself annexed foreign territories.

Dr. Heumann studies in great detail this interesting phenomenon. His book is divided into three parts: (1) introduction, (2) transitory period of existence of the State before it is sufficiently stabilised, and (3) period of its definitive existence.

In his Introduction the author reviews the various theories dealing with the legal creation of new State organisms, and refuses to attribute paramount importance to the fact of recognition by foreign states. In his view a new personality *jure gentium* is created by an independent public power effective within definite territories over a specified population.

Having laid down these criteria, and having further subdivided the existence of a new State into a transitory period and a definitive period, the author acquaints the reader with a number of historical facts concerning Estonia, beginning with the Declaration of the Estonian National Council of November 28th, 1917, up to the Peace Treaty between Estonia and Soviet Russia signed on February 2nd, 1920, which in the view of the author is the final step in the reaching by the State of Estonia of its definite stability, and its subsequent admission in 1921 to membership of the League of Nations.

For the English reader of special interest are the remarks of the author concerning the premature recognition *de facto* of Estonia by H.M. Government on May 3rd, 1918, when in the author's view no Estonian State able to be recognised was yet in existence.

It seems evident that such a hurried recognition of Estonia was not due to a particular sympathy of H.M. Government to Estonia, but can be explained by the then-existing political situation created by the Bolshevik revolution in Russia.

Whereas the facts on which Dr. Heumann relies and their legal aspect are of vivid historical interest, their exposition by and the language of the author sometimes lack the necessary clarity. In his desire not to leave anything untold, not to omit a single legal feature of the historical events of Estonia in the period under discussion, his reasoning is at times difficult to follow. This notwithstanding, his book is an interesting contribution to the history of the post-War states and to the legal problems of their creation.

M. M. WOLFF.

65. DENMARK IN HISTORY. By J. H. S. Birch. 1938. (London: John Murray. 8vo. xix + 444 pp. 15*s.*)

THIS survey of Danish history cannot lay claim to be original. Mr. Birch has been content to rely upon already published material.

But he has succeeded in presenting an accurate and readable account which should prove useful for non-Danes interested in the historical background of modern Denmark.

The book follows conventional lines. The ramifications of the Schleswig-Holstein question are conscientiously traced from its beginning to the climax of 1920, when part of South Jutland was returned to Denmark. The careful reader will also find an interesting example of a treaty of mutual guarantee between Norway, Sweden and Denmark as early as 1257.

The book is most open to criticism at the beginning and the end. Mr. Birch seems to have ignored many recent discoveries relating to the Bronze Age and the domestic economy of the Viking period. The somewhat dull opening pages in no way reflect the fact that Denmark now possesses one of the richest collections on the Bronze Age in Europe. Secondly, the account stops abruptly in 1926. There would seem to be no reason why it should not have been carried down at least to 1933, when a new chapter in Danish history opened with the advent of the Hitler régime in Germany and the conclusion of the reciprocity treaty with the United Kingdom. K. V. BAILEY.

66. DIE SCHWEDISCHE LANDBEVÖLKERUNG UNTER DEM EINFLUSS DER INDUSTRIALISIERUNG. By Richard Linder. [*Nordische Studien*, Nr. 20.] 1938. (Greifswald: Bamberg. 8vo. 127 pp. *Rm.* 2·70.)

THIS is a study of the influence of industrialism on the agricultural population of Sweden. The author has collected a wealth of material from Swedish and German sources. Numerous maps, diagrams and tables illustrate such features as woods and forests, predominance of small holdings or large estates, internal migration of the population and fluctuations in the birth rate. Comparisons are drawn between the development in Sweden and other parts of Europe, usually Germany. The influence of soil and climate on the density of the population, situation, size and nature of industries, is adequately handled.

In the eighteenth century excessive division of the land led to uneconomic farming units, growth of subsidiary industries, the creation of an agricultural "proletariat" and the emigration of the most efficient agricultural population either to towns or to the United States.

The most interesting chapters are those dealing with growth of industry from 1850 to recent times. Intermingling of agriculture and industry, especially in the northern iron-ore and timber areas, persisted until late in the nineteenth century. Up to 1865 less than 12½ per cent. of the population lived in towns. About that time emigration abroad began and by 1870 the yearly exodus was 50,000. It ceased early in the twentieth century. Between 1881 and 1890 the figures for internal emigration were 743 Swedes per 100,000 inhabitants, compared with 442 and 280 for England and Germany respectively. The level of agricultural wages exceeded that of industrial wages up to 1886. The State did little to stop the deterioration of Swedish agriculture at a time when the agricultural party was at its zenith.

The reader gains the impression that the author has mastered his subject, and such a detailed, if somewhat dry, study of Swedish conditions should be a help to students of conditions in other countries.

GEORGE FABER.

67*. La Guerre d'Indépendance de Finlande, 1918. By J. O. Hannula. [*Collection de Mémoires, Études et Documents pour servir à l'Histoire de la Guerre Mondiale.*] 1938. (Paris: Payot. 8vo. 206 pp. 30 *frs.*)

Many who know modern Finland and even have some knowledge of her pre-War history may yet have only hazy ideas of how she gained her freedom, among what multiple dangers; and may have wondered why so many senior officers bore the Iron Cross. The coherence of the liberationist movement, from the abolition of the Finnish Army in 1901 and the Russian Great Strikes of 1904–1905, with their bitter reactions, up to the training in German Jäger battalions during the War of the nucleus of Finland's White Army, is well drawn out in this work. The parts played by Finland's Grand Old Man, Senator Svinhufvud, President on his return from Siberian exile and lately re-appointed for a six-years' term, and by that young pre-War Colonel of Russian cavalry in Odessa, Field-Marshal Mannerheim, stand out vividly against a canvas crowded but not confused.

If a miracle plus von Kluck's error saved us in the West in 1914, the same was true of the Whites in Finland in January 1918, practically unformed and unarmed as they were, with their Jägers mostly held in Germany. The error was on the side of the Reds, who had every advantage. Mannerheim came like a breath of fresh air, chose the moment, and disarmed the Russian garrisons over a wide area, thus gaining arms and munitions, and a " front " grew up against the Red-held South. Defeat of the Reds and eviction of the Russians within four months was the miracle, and its tactics are admirably told and illustrated by good maps.

Colonel Hannula, renowned historian and General Staff Officer, has written an excellent book, which has been admirably translated into French by Professor Perret of Helsingfors, while General Weygand's introduction is a masterly and most interesting exposition.

Arthur Vivian.

THE MEDITERRANEAN AND NEAR EAST

68*. Whose Sea? A Mediterranean Journey. By George Martelli. 1938. (London: Chatto and Windus. 8vo. 308 pp. 12*s.* 6*d.*)

The author of *Italy Against the World* knows his Italy; witness the last chapter of this lively book. Wisely, therefore, Mr. Martelli confines himself to the eastern basin of the Mediterranean—to the area about which Italians really mind—and discusses the conflict of Anglo-Italian interests without attempting to cover their western theatre, which is Spain. The journey mentioned in his title was made by land from Tunis to Syria, and he writes only of the territories which he knows at first hand.

As a travel book his work is excellent; it soars above the usual run of such literature by reason both of its agreeable style and of its author's political common sense. Its balance and lack of bias are admirable. But, apart from these assets, the scholar who weighs it in the balance will find it wanting. Mingled with the sound comment, he will discover a series of tiresome slips, due, no doubt, to the all-too-short halts which Mr. Martelli allowed himself in the countries he visited. Singly, most of the mistakes are too trivial to mention in a review, but it is to be hoped that few members of Chatham House would accept with equanimity the dictum that Syria gained independence in 1936.

What a pity that a writer who sums up the Italian outlook so ably could not have spent more time, and cultivated more local acquaintances, in Tunisia and Syria! E. M.

69. FRANCO-BRITISH RIVALRY IN THE POST-WAR NEAR EAST. By Henry H. Cumming. 1938. (Oxford University Press. 8vo. 230 pp. Map. 8*s*. 6*d*.)

STARTING with the dust cover, Mr. Cumming's book offers two assets—the minor one, its very moderate price; the major one, its original choice of subject. The acid period of Franco-British tension in the Levant, which lasted from the outbreak of the Arab Revolt until about 1927, has never before enjoyed the luxury of an English book on its own. The conflict is not covered in full; the narrative does not reach the stormy climax during which a British Consul was accused of fomenting the anti-French unrest which ended in the bombardment of Damascus. Beginning with the distrust engendered by the secret War treaties, it covers the whole gamut of cantankerous dealings in which the British and French peacemakers indulged first in Paris and later in Constantinople, ending, appropriately enough, with the "peace of lassitude" which is the nickname given to the Treaty of Lausanne.

Criticisms which emanate from a good American brain are always of interest to Europeans. Mr. Cumming's English public would have benefited if he had not been quite so retiring—if he had spoken his mind outright, instead of leaving his readers to deduce what he thinks of Great Britain's way of implementing her War promises to the Arabs, or of France's shameless despatch of M. Franklin-Bouillon to treat with the "rebel" Mustafa Kemal. The facts are all there; they are docketed, and footnoted to a useful host of authorities. But, sad to relate, the writer has contrived to denude them of any reflection of his own vigorous mind, or of the countless incidents—some dramatic, some comic, all revealing—which would have endowed his story with human interest and with the spicy Levantine flavours which he must have enjoyed as he prepared his material. ELIZABETH MONROE.

70. LA CONFÉRENCE DE MONTREUX, 1937: L'ABOLITION DES CAPITULATIONS EN EGYPTE. Par Aziz Fahmi. 1938. (Paris: Librairie du Recueil Sirey. 8vo. 247 pp. 50 *frs*.)

THE greater part of this volume consists of a clear and reasonably comprehensive analysis of the agreements by which, in May 1937, Egypt negotiated her liberation from the restrictions previously imposed on her legislative, judicial and fiscal authority by the extra-territorial rights of foreign residents. It is a pity that the proofs of a book on a subject in which precision of statement is more than usually essential should have been so carelessly read, but apart from this defect the analysis is accurate. The author is also concerned to defend the leaders of the Wafd against their Egyptian critics, and to appraise the attitude of European Powers to Egypt's conquest of sovereignty; he pays a tribute to the relative disinterestedness of the French delegation at Montreux, but takes a rather jaundiced view of British policy. A useful but not a notable book. H. BEELEY.

71*. LA TURQUIE PASSÉ ET PRÉSENT. By Marcel Clerget. 1938. (Paris: Collection Armand Colin. Sm. 8vo. 207 pp. Maps, plans. 15 *frs*.)

THIS book shows clearly M. Clerget's extensive first hand knowledge of his subject, for it contains a mass of accurate and detailed informa-

tion. The influence of geographical factors on the historical development is admirably demonstrated and the sections on agriculture, village life, the nomadic element of the population and the natural resources of the country are outstanding. One third of the book is devoted to economic conditions, and records the impressive results achieved to-day by State initiative, especially in the spheres of transport, industry and education. Agriculture, the basis of Turkish economic life, presents an urgent and difficult problem, and the author ably summarises the efforts already made to assist the peasants, while stressing the necessity of devoting to agriculture the official attention hitherto given to industry.

Greater use might have been made of Atatürk's etymological reforms. "Kara Sou," "Koutchouk Mendérès," and then "Ankara," "Boğaz Köy," etc., in New Turkish are slightly confusing.

RACHEL MAXWELL-HYSLOP.

JEWS AND ARABS

72*. PALESTINE DIARY (1923–1931). By Lt.-Col. F. H. Kisch. 1938. (London: Gollancz. 8vo. 478 pp. 18s.)

"PALESTINE—Anti-Sleep" is an anagram quoted by Colonel Kisch which must seem appropriate enough to all those who, like the author, have held responsible positions in the affairs of Palestine since the War; and as this candid and often day-to-day record of his arduous activities during the eight years 1923–31 as Chairman of the Palestine Zionist Executive shows, he had to deal with and take decisions on a vast range of questions, each of which might have been sufficient to tax the resources of one man of ordinary abilities and each, moreover, with its own peculiar difficulties arising from the adjustment of at least three mentalities—British, Jewish and Arabic—in the grip of problems without a precedent.

That "the reliability of Colonel Kisch as a witness is beyond question" is vouched for by Mr. Lloyd George, who pays a tribute to his services as a soldier in the War and a diplomatist at the Peace Conference.

The Diary shows that the author's task throughout was threefold. First, to interpret the wishes and aspirations of the Jews imbued with the Balfour Declaration to an Administration some of the leading members of which admitted to him that they did not understand it; some that they were "bound to protect" the Arabs as the "less fit," whilst a large number were definitely hostile, even anti-Semitic.

At the same time, Colonel Kisch considered it equally incumbent upon him to interpret the mentality of the British officials to the Jewish community and to defend them and, indeed, even the Arab police when he considered they had been improperly attacked by men who had been brought to regard all Government servants as objects of mistrust. This thankless task he pursued unflinchingly and with great courage even in the midst of Jewish massacres in Hebron and Jerusalem in 1929.

The third task of equal, if not greater, importance was to achieve a peaceful understanding and collaboration with the Arabs. A political basis soon proved impossible, and was followed by various suggestions for economic collaboration. Colonel Kisch does not conceal the fact that for many years the Zionists' repeatedly expressed declarations in this sense were not sufficiently concrete, but what emerges clearly from his Diary is that all these efforts were nullified from the start by

the ex-Mufti of Jerusalem, whose appointment as President of the Supreme Moslem Council was characterised to the author by one High Commissioner as "the worst thing that had happened to this country."

Severe strictures are also passed against the Administration for "throwing away the opportunity of bringing Jews and Arab representatives in a common Council" in 1923, when wise consistent support of the Moderates, with whom the Zionists had already established excellent relations, might with patience have frustrated the ex-Mufti's destructive influence.

"Two High Commissioners at widely different dates" are blamed for thinking "it inopportune for the Jewish leaders to take the initiative in a special effort to reach an understanding with the Arabs."

A brief postscript brings the narrative up to March 1938, and is followed by a useful Arabic and Hebrew glossary.

The author hints that, in view of the terrorism, some entries which might have been dangerous to the persons mentioned have been omitted, but a little more pruning in the same direction might not have been unwise. G. A. STOLAR.

73*. FULFILMENT IN THE PROMISED LAND, 1917–1937. By Norman Bentwich. 1938. (London: Soncino Press, 8vo. x + 246 pp. 8*s.* 6*d.*)

TWENTY years after the Balfour Declaration Professor Bentwich surveys the progress which has been made in Palestine under the British Mandate. The general reader will be grateful to him for assembling into a concise and connected story a mass of material not all of which is readily accessible. A particularly interesting chapter is that on "Labour and a Living Socialism," where attention is rightly drawn to the work of that remarkable personality, A. D. Gordon. The fulfilment with which Professor Bentwich is concerned is primarily the fulfilment of the Balfour Declaration, and in describing the development of the Jewish National Home, he deals with it mainly in its economic and social aspects as "a workshop of humanity." For the work of the Palestine Administration he refers the reader to other authorities, though he does not omit to point out that "it was often overlooked by Jewish critics . . . that the British Administration and British policy made possible the remarkable immigration and development."

Professor Bentwich concludes his survey with a short discussion of Jewish–Arab relations. Writing before the Royal Commission's scheme had been finally killed by the Woodhead Report and the recent White Paper, he expresses himself strongly opposed to partition, save possibly in the mild form of cantonisation, and in favour of a policy designed to lead up to the establishment of "a bi-national State looking to England as an ally for protection against external foes and looking to the adjoining Arab peoples for a confederation and economic union." The Mandate would not, however, be terminated until 'the League is satisfied that the two nationalities are fit for independence." In the meantime, Jews and Arabs would live together on what is rather vaguely described as "a basis of political parity." As to immigration, the Jews might, for some period, "renounce the full measure of immigration which economic circumstances would allow," though "justice requires that there should be a substantial Jewish immigration."

Professor Bentwich recognises, but perhaps under-estimates, the difficulty which might be felt even by Zionists of moderate views in agreeing that the mandatory régime should be ended on such terms as would require the Jews of Palestine to take their chance in a predominantly Arab independent State. LEONARD STEIN.

74*. THE ARAB AWAKENING. By George Antonius. 1938. (London: Hamish Hamilton. 8vo. 471 pp. 15s.)

THE author, George Antonius, had special knowledge of Arab affairs from personal contact with King Husain; Feisal, Emir Abdullah and other leaders. He assisted Sir Gilbert Clayton to conclude certain treaties with King Ibn Saud in 1925 and 1927, was awarded the C.B.E., and was for some years an official in the Palestine Government. He has written by far the most important book on the Arab Question, which gives the Arab as well as the British point of view. He submits his case fairly. even gently.

Chapters I–VII define the Arab world and show how the Arab movement has grown in the last hundred years. New facts are disclosed of Sherif Husain's co-operation with Cairo, and of the start of the Arab revolt. He reminds us how extremely helpful this revolt was thought to be in 1915 and 1916 in a political sense, how it affected other than Turkish and Arab peoples, rendered the Caliph's Jehad fruitless and how it frustrated Von Stotzingen's mission. The military side of the revolt is more fully described in the *Seven Pillars of Wisdom*, but certain details have been amplified in this new work.

The author's account of the post-War settlement is worth reading. He shows that the Mandates were assigned, not by the League of Nations, but by the Supreme Council, Great Britain, France and Italy. The San Remo Conference disregarded the specific provisions of the Covenant, "that the wishes of the population concerned were to be a principal consideration." He does not state how the Palestine Mandate was drafted and adopted, the wording of which has made it impossible to administer. He points out, however, that no Arabs were consulted as to the terms or conditions of the Mandate.

He praises Anglo-Arab co-operation from 1921 to 1932 in Iraq, and gives an interesting though critical picture of the French Mandate in Syria, becoming more hopeful when he reviews French action of the last two years. Many points hitherto rather vague, due to biased information, have been brought to our notice. For instance, King Husain, with all his faults, had dignity, an obstinate honesty and many attractive qualities in 1917; he could not suddenly become the villain or the half-wit he was made out to be in 1922. Antonius gives a fair picture which explains his position and makes him understandable and likeable. Again, Amin El Husaini, now the Mufti, is mentioned as having toured the country in 1918 to recruit Arabs for the Allies and raised some 2000 men. This is the only time the Mufti is mentioned throughout the book.

The Palestine Question is, of course, the main feature; it is treated in perspective with other Arab countries, which is clearly correct: since this question cannot be a local matter. We are shown that Arab claims include (1) the natural right of a settled population to remain in possession of the land of its birth, and (2) the political rights due to the Arab share in the overthrow of the Turkish sovereignty, which Great Britain is under a contractual obligation to uphold. He proves the compact with Husain from the MacMahon Letters published in full; the specific

promise of the late D. G. Hogarth in January 1918 made to Husain that Jewish settlement would not conflict with the political and economic freedom of the Arab people; the pledge of June 1918, called the "Declaration of the Seven," that the "future government of Palestine shall be based upon the principle of the consent of the governed," and other declarations in some cases published for the first time in English. He is fair to the Jews and to the Balfour Declaration, but shows that the Zionists, apparently content with a "National Home," accepted it only *faute de mieux*; while they intend, by steady effort and pressure, to convert that "Home" into a Jewish State; hence the trouble. He states that once the fact is faced that a Jewish State cannot be created without forcibly displacing Arabs, the way to a solution becomes clearer.

He adds that it is for Great Britain, who has taken a lead in the work of charity at Arab expense, to turn to her Empire and to practise there some of the charity which she has been preaching; and for other countries also to make some of the sacrifices which Arab Palestine has been bullied into accepting.

This is a well-written and most enlightening book, essential to all those interested in Near East affairs. It confirms and amplifies many points within our experiences in 1915–1922, including the promises we made.

I found only one misstatement, occurring on p. 16, "the tide . . . found itself dam*n*ed." S. F. NEWCOMBE.

75*. PALESTINE: THE ARABS, THE JEWS AND THE PEEL REPORT. By W. S. McCullough. (Reprinted from *The University of Toronto Quarterly*, vol. VII, No. 4, July 1938, pp. 468–487.)

76. WHAT BRITAIN MAKES OUT OF PALESTINE. By Israel Cohen. (Reprinted from *The Jewish Chronicle*, July 29th, 1938. 5 pp.)

THE main interest of Mr. McCullough's pamphlet lies in his personal impressions derived from a recent visit to Palestine. While acknowledging that "any unbiased observer of Zionism in Palestine to-day is bound to admit that it represents some of the best constructive work of modern man," he is struck by the failure of the Jews to make themselves acceptable to the Arabs, and fears that they "have not yet learned to treat Arab nationalism as seriously as they treat Jewish nationalism." For the rest, Mr. McCullough covers familiar ground, and has nothing very much to add to what is already well known to students of the subject.

Mr. Cohen's pamphlet—its title is not, perhaps, very felicitous—is designed to show that, from a purely financial point of view, Great Britain has benefited by the development of Palestine under a British Mandate. In support of this contention, he points out that Great Britain has had a large share of the growing trade of Palestine, which between 1920 and 1937 took goods from the United Kingdom to an aggregate value of nearly £29,000,000. Among other items on the credit side are mentioned the British income tax paid, and the British plant and equipment purchased, by various concerns operating in Palestine, and the return on loans made to Palestinian undertakings by British Banks and Insurance Companies.

LEONARD STEIN.

77*. THE JEW AND HIS NEIGHBOUR: a Study of the Causes of Anti-Semitism. By James Parkes. New and revised edition. 1938. (London: Student Christian Movement Press. 8vo. 182 pp. 3s. 6d.)

THIS is a new and revised edition of a work first published in 1930. The subject is one on which Dr. Parkes has shown himself well qualified to write, and in this compact little book he summarises his views for the benefit of a wider circle than that which he usually addresses. In his treatment of a rather difficult subject he shows his usual sanity and poise and a refreshing freedom from cant and humbug. Though his approach to the Jews is sympathetic, he is not an advocate, but an expositor, and while he has nothing but contempt for mere vulgar anti-Semitism, he is not concerned to show that the Jews are always right. What does concern him is the truth as he honestly sees it, without regard to the convenience either of the Jews or their detractors. Much the most valuable part of his book is his rapid but illuminating survey of Jewish history since the Dispersion, which he rightly regards as an indispensable background to any serious study of the Jews and the problems which they present both to the rest of the world and to themselves.

Admirable as is Dr. Parkes' analysis of those problems, his constructive suggestions are less satisfactory. He draws a correct distinction—though he draws it, perhaps, a little too sharply—between the "Nationalist" and "Assimilationist" views of the Jewish future, but he seems to see objections to both without suggesting any middle course or third alternative which will satisfactorily regularise the Jewish position. This is indeed a mark of the same uncompromising honesty which distinguishes his book as a whole; as he himself frankly explains, he suggests no short cut because (like the Jews themselves, or most of them) he can see none. What Jews most ardently desire to know, and what no one ever manages to tell them, is what precisely they are expected to do to put themselves right with the world. On one point at least every Jew will fervently agree with Dr. Parkes:

> What makes it impossible to cope with the present difficulties is the automatic presumption that it is the Jew who is in the wrong, and still more that, because of a particular grievance which may be perfectly justified in a particular situation, all Jews are equally in the wrong about it. It would already be an enormous change if only those Jews were accused of a particular action who were actually concerned in it.

LEONARD STEIN.

INDIA

78. INDIAN STATES AND THE NEW RÉGIME. By Maharaj-Kumar Raghubir Sinh. 1938. (Bombay: D. P. Taraporevala and Sons. 8vo. xxviii + 469 pp. *Rs.* 10.)

THIS work comes from the pen of the heir-apparent of one of the smaller States in India, Sitamau. The writer endeavours to show the necessity for joint action on the part of the Princes as the representatives of Indian India threatened by many dangers. He contends that during the last century the Government of India, by means of the doctrine of Paramountcy, made many inroads into the sovereignty claimed by the Indian States. Internally their subjects were influenced by political movements originating in British India which regarded the States as a barrier to complete self-government. The only way out of this difficulty was found by the creation of a federal constitution to include both British India and Indian India, and this solution was largely assisted by the creation of a Chamber of Princes. By November 1930 the Indian Princes had gained a very commanding position as saviours of

the Empire and Indian patriots, but subsequently disunity within their ranks has neutralised this advantage, and the prestige and strength of the Chamber of Princes have suffered. This is largely due to the jealousy between the "big" and "small" States, and the author finds fault with the latter, though he is himself connected with a "small" State. Various suggestions are made to give new strength and vigour to the Chamber. Sir C. P. Ramaswami Aiyer, well known as a Liberal politician and Dewan of a progressively minded Indian State (Travancore), has written a foreword. The book is a readable one and should be in every library. H. S. CHATFIELD.

79. CONGRESS RULE IN INDIA. By Horace G. Alexander. [*New Fabian Research Bureau Pamphlet* No. 39.] 1938. (London: Gollancz and New Fabian Research Bureau. 8vo. 31 pp. 6*d*.)

This pamphlet shows the recent developments in India under Congress rule. The tone is highly optimistic except perhaps as to the Bombay Presidency. H. S. C.

FAR EAST AND PACIFIC

80. WAR DAMAGE IN THE NANKING AREA: DECEMBER 1937 to MARCH 1938. Urban and Rural Surveys. By Dr. Lewis S. C. Smythe. Published on behalf of the Nanking International Relief Committee.

IT is unfortunately becoming a platitude that civilians suffer more than armies from modern warfare; for this reason an examination of actual war damage to civilians is most timely. The accident that there was in Nanking a body of trained scientific observers, is the cause of the present survey—a survey made on the spot and at the time, and by men who had, from previous flood inquiries, and intimate knowledge of the field.

The survey supported by statistical tables, with a detailed statement of the method of collection, sets out the damage to life and property in Nanking and the surrounding rural area. The object of the survey was two-fold: to guide existing and future relief measures, and to study the ravages of warfare among civilians; it is unusually objective, *e.g.*, an attempt has been made to evaluate destruction between Japanese and Chinese troops. One can only hope that further studies both of relief measures and the effects of irregular warfare will follow.

In a short review it is not possible to summarise the findings. Outstanding—the rate of loss of life in the hundred days studied was comparable to that of the 1931 floods, with this difference: in 1931 old people and children were lost, in 1937–8 wage-earners. The average income of people left in Nanking has fallen to 11 per cent. 4000 men civilians have definitely been traced as missing after the occupation, presumably killed; this out of an enumerated total of 250,000 people. The number of widows and fatherless families can be imagined. In the rural areas the losses have been magnified by the callous indifference of what authorities there are.

The whole pamphlet is worth study not only by all interested in China, but by students of modern war. B. W. P.

81*. AMERICAN FAR EASTERN POLICY AND THE SINO-JAPANESE WAR. Edited by Miriam S. Farley. [*Studies of the Pacific*, No. 1.] 1938. (New York: American Council, Institute of Pacific Relations. 8vo. viii + 71 pp. 50 *cents*.)

THIS is the first of a series of studies of the Pacific to be issued by

the American Council of the Institute of Pacific Relations. It is a report of seven conferences held under the auspices of the American Council during the spring of 1938 with the object of developing an informed American public opinion upon Far Eastern issues. The discussions ranged over the existing conflict and its possible results; the effects upon American interests, the choice of policies which confronted the United States and the part she might play in post-war reconstruction. The method chosen is a novel and valuable approach to the Far Eastern problem, and the American Council is to be congratulated on having made the results available in published form. Miss Farley has produced a clear and well-arranged summary of the proceedings.

While serving a specifically American purpose, the report is of general value for the light it throws upon the views held by influential groups in the United States. Readers in the United Kingdom will find interest, and some entertainment, in the comments on British policy.

F. C. JONES.

82*. CHINA AND JAPAN. (*Information Department Papers, No.* 21.) Second Edition, Revised and Enlarged. 1939. (London: Royal Institute of International Affairs. New York: Oxford University Press. 8vo. 151 pp. 2 maps. 2*s.* 6*d.* To members of the Institute, 1*s.* 6*d.*)

THE year which has elapsed since the original appearance of *China and Japan* was crowded with events of outstanding importance in the Far East, and the main purpose of the new edition is to add a summary of these and of the situation arising from them. The account of the Sino-Japanese hostilities has been completely rewritten and extended to cover the operations leading to the fall of Canton and of Hankow, and, in addition to an outline of the League activities in respect to the Far East, there is a section on the attitude of the United States and of the principal European Powers. Other new material is included on internal developments in Japan; the growth of national unity in China; Japanese pronouncements on the "new order" in Asia; and the situation at Shanghai during 1938. The additions to Part III, on economic factors, show the effect of the war on the Japanese budget and national debt, the Chinese Maritime Customs, trade and other foreign interests

83*. PROPAGANDA FROM CHINA AND JAPAN. By Bruno Lasker and Agnes Roman. 1938. (New York: American Council of the Institute of Pacific Relations. 8vo. xiv + 120 pp. $1.50.)

PROPAGANDA literature is described by the authors as literature that is intended to give a particular line to the thinking of the persons to whom it is addressed with a view to persuading such persons to take up a particular attitude or adopt a particular line of action; and in order to safeguard good Americans from being thus fooled, the authors have made a critical examination and analysis of a sample of war-time literature—namely, the Chinese and Japanese propaganda literature that reached the United States during the last six months of 1937. They divide the material into propaganda in information and propaganda to affect attitudes. In the former division they note that there is now less reliance on the downright lie. In the latter division they record appeals to material interests, appeals to political attitudes, such as Japanese propaganda about the Monroe Doctrine, appeals to social attitudes such as propaganda about order and progress,

conciliation not force, atrocities and so forth and finally appeals for or against specific action which are found in Chinese but scarcely at all in Japanese propaganda.

In the examples of propaganda quoted the Chinese generally have much the best of it. They have much the better case to plead and in the art of under-statement they have nothing to learn. Occasionally, however, they slip up. One quotation talks about fighting to "free the Japanese from military oppression," which, of course, is merely silly, and another consists of mere abuse. The Japanese propagandist who talks about the Monroe Doctrine is gravely handicapped by the difficulty of explaining why, if the Chinese are to be protected by a Monroe Doctrine, it is necessary to begin with a war on China. Similarly the Foreign Affairs Association of Tokyo give a sober and impressive account of the rising tide of anti-Japanese feeling in China in the years 1935–7, but are unable to explain the cause of this sudden crop of outrages after the two halcyon years that had gone before.

It seems that "lambast" is a word that is now admitted in learned theses on the other side of the Atlantic (page 96). Will Mr. A. P. Herbert please note? J. T. PRATT.

84. WHEN CHINA UNITES: A History of China's Struggle for National Independence, 1840–1938. By Harry Gannes. 1938. (London: Dent. 8vo. vii + 276 pp. 8*s.* 6*d.*)

85. PACIFIC SCENE. By Harry Greenwall. 1938. (London: Nicholson and Watson. 8vo. v + 301 pp. map. 8*s.* 6*d.*)

MR. GANNES' strong political prejudices lead him into some rather absurd exaggerations and inaccuracies. He misrepresents the real purpose of the Nine Power Treaty, which was to proclaim the end, once for all, of the so-called "gunboat policy" in China; and he ought in fairness to have recorded Sir Austen Chamberlain's spontaneous offer to China in 1926–7 to surrender all British privileges in China, the sincerity of which was immediately proved by the surrender of our Concessions at Hankow, Kiuiang and Chinkiang. But this said, one gladly pays tribute to the valuable mass of material which Mr. Gannes has collected, and set out most lucidly and interestingly, on the growth of a united national feeling in China. Nothing could be more ridiculous than the Japanese pretence that Nanking deliberately fomented the anti-Japanese feeling in China. It was the Chinese people who, of their own volition, decided that Japanese aggression must be fought, when powerful elements in Nanking were still for compromise. Mr. Gannes truly observes that Japan needs in China not only a military but a political victory—a defeated and docile government ready to "deliver the goods" and act as tributary to her. That is just what she cannot get. All her bombings and bayonets cannot persuade the Chinese of her benevolence. They only cluster the more obstinately round General Chiang Kai-shek.

For those who have not followed the course of Japan's ambitions Mr. Greenwall supplies a breezy, though somewhat superficial account. The most interesting part is the biographical sketch of the "mystery man" Marshal Blücher, creator of Russia's formidable Far Eastern Army; and the estimation of the prospects of a Russo-Japanese war; in which the author allows Japan more chances than most writers do. The description of America's long manœuvres to check Japan is also interesting, though it makes one wonder all the more why the

United States has now almost pointedly dissociated herself from the fate of China, whom for so many years she had paraded as her pet *protégée.*

O. M. GREEN.

86. LA CHINE CAPITALISTE : Problèmes et Documents. By Maurice Lachin. 1938. (Paris : Gallimard. 8vo. 304 pp. 30 *frs.*)

IT was without any doubt the remarkable progress made by China towards political unification and economic rehabilitation that decided Japan to strike in the summer of 1937 and destroy this new China before it had become too powerful. The spectre that haunted the Japanese was an efficiently industrialised China that would compete with Japanese industry instead of providing a market for its products and a politically unified China that would menace Japan's hegemony in East Asia. Working backwards from this situation, Monsieur Lachin has constructed a theory which he thinks accounts better than any other theory so far devised for the present Sino-Japanese hostilities. He draws a picture, in terms of Western political ideology, of China's struggle to become a capitalist state : the bourgeoisie enlist the support of the masses to make a revolution against their twin enemies, military feudalism and foreign capitalism, which between them had reduced China to the status of what Sun Yat-sen called a " hypo colony." Sun Yat-sen's rôle was to create the Kuomintang and rouse the masses and Chiang Kai-shek's is to command the bourgeoisie armies. The success of both is due to the backing of the Soong clan, the leaders of the industrialist-banker bourgeoisie. And this brings into being the capitalist China that Japan is determined to destroy.

Though there is an element of truth in this theory, it takes no account of the deeper currents of political evolution in both China and Japan and the deeper causes of the conflict between the two countries. Russia, for example, is hardly brought into the picture at all, and capitalism had nothing to do with Japan's earlier adventures on the mainland of Asia in 1894 and 1907, in Korea and Manchuria respectively. In spite of its somewhat naïve over-simplification, the theory is useful as a key to the interpretation of events in China during the last dozen years, and Monsieur Lachin has much that is interesting to say about Chiang Kai-shek and his rise to supreme power, about Red China, the Kuomintang, agrarian and Labour problems and the various phases of Japanese aggression. It is all coloured, however, by the same characteristics as the theory itself. The Anglo-Japanese alliance, for example, enabled England and Japan to establish a co-dominion over China; and again, Japan made a great mistake in not declaring war in 1931, for at the end of a victorious war she could have annexed as much of China as she wanted and " aurait pu se consacrer entièrement à la defense et à l'exploitation du territoire conquis." How this is to be reconciled with the Capitalist China theory is not explained. Attention may be drawn to the quotations in Chapter XVI from press articles by Monsieur Ariyoshi which throw much light on the constitution of the Nanking Government and the position of Chiang Kai-shek.

J. T. PRATT.

87. RETREAT OF THE WEST : The White Man's Adventure in Eastern Asia. By No-yong Park, Ph.D. 1937. (Boston : Hale, Cushman and Flint. 8vo. xiv + 336 pp. $3.00.)

88*. WHAT WAR MEANS : The Japanese Terror in China. Edited by H. J. Timperley. 1938. (London : Gollancz. 8vo. 288 pp. 7*s.* 6*d.*)

THE theme of Dr. Park's book is that the West, once partly con-

quered by Attila and Genghiz Khan, turned the tables on the East in the nineteenth century, and now is again falling back before the Eastern resurgence. It is a suggestive but uneven book, sometimes remarkably broadminded, at others rather crudely biased. There are several inaccuracies: for instance, Dr. H. B. Morse was an American, not English; and the retreating Chinese northern troops did not attack the foreign Settlements at Shanghai in 1927, nor were they "repulsed by foreign troops"; the defence force that year never fired a shot. And when Dr. Park laments that other countries have not emulated America's Philippine policy, one wonders whether he has ever heard of Great Britain's return of South Africa to the Boers within five years of the war, of the Government of India Act, and of the complete independence of the Dominions. Incidentally, he gives a cynical account of the keen sense of self-interest which underlay America's declaration of the "open-door" principle in China. The book contains a very readable account of Chinese history since the Revolution. Dr. Park sees clearly that China's failures have been due to the lack of "such unselfish loyal leaders" as Japan found in the Meiji Revolution. But of Japan to-day he says truly that she has "copied the shortcomings, not the virtues of other nations." Summing up his survey, Dr. Park wonders whether the retreat of the West may not be a prelude to a far happier state of equal, friendly co-operation with the East. Certainly that is what all the wiser men of the West were working for when the war with Japan broke out.

During the Allied Expedition to the relief of the Peking Legations in the Boxer year, no troops behaved better than the Japanese. Why have they now degenerated so terribly in decency and discipline? When Mr. Timperley's despatches to the *Manchester Guardian* describing the Japanese atrocities in Nanking were refused by the Japanese censors, he obtained and has here published the diaries kept by some of the devoted foreigners who stayed on in Nanking and strove—how vainly against the inertia of Japanese officers and officials—to protect the helpless Chinese. Stories of war atrocities are usually discounted. These unfortunately cannot be. Other records, also by first-hand observers, are included; while unimpeachable evidence from all over the occupied areas tells the same sickening story of looting, burning, rape and murder. It is almost too horrible to read, but it should be read by all to make the world realise the wicked hatefulness of war.

O. M. GREEN.

89. SBORNIK ZAKONOV I RASPORIAZHENII MANCHZHUDIGO. (Laws and Regulations of Manchukuo, Parts 1–6.) 1937. M. Ogusi.

THIS Russian translation of the laws and regulations of Manchukuo appears to cover the ground more completely than anything that has yet been published in English. The six parts already issued include all legislation up to 1937, and supplements are in preparation. The system of the Kingly Way on which the laws are based presupposes abandonment of economic liberalism, and the programme of economic development on "modern lines" is set out in Part I. Parts IV and VI contain the new criminal and civil codes respectively; the criminal code is practically the same as that of Japan, although the laws against sedition have been made more severe; "foreign States may be quite easy about its adoption, as the penalties for culprits are much the same as in other cultured countries." The

civil code is also that of Japan, which is based on the Austrian code of 1895.

The translation has been made by M. Ogusi, an interpreter in the Harbin courts, and is designed primarily for the use of the many émigré Russian lawyers practising there, though in the introduction the hope is expressed that it may serve to promote friendship between the U.S.S.R., Japan, and Manchukuo. It is a little difficult to see how this may be when one observes in the section on press laws that all Soviet newspapers are forbidden. BARBARA MILLER.

UNITED STATES

90*. THE RISE OF ANGLO-AMERICAN FRIENDSHIP. By Lionel M. Gelber. 1938. (Oxford University Press. 8vo. 292 pp. 16s.)

THERE is now in existence and in process a very great amount of research on American diplomatic relations and particularly on British-American diplomatic relations. In this latter subject the period 1898–1906 is recognised as especially important. Mr. Gelber's work, which is beautifully printed and produced, is very thorough and is fully referenced. Although learned and complete, it is pleasantly written and easy to read. It seems to be written from the point of view of one who is temperamentally favourable to the idea of British-American friendship and co-ordination, perhaps even co-operation. There is, however, a refreshing absence of dogmatism and there is no sentimentalism at all in the work.

The author starts with 1898 as beginning a "New Course" in British-American relations, when John Hay was ambassador at the Court of St. James's. He does not, however, attribute any specially dynamic or decisive effect to Hay's diplomacy or personality, though he does not depreciate Hay's influence. The outstanding event in United States history in 1898 was the Spanish-American War, which promoted or coincided with a strong growth of American Imperialism. The British Government and a good number of the British people were sympathetic to the Americans in this crisis, and the basis of an informal understanding between the British and United States Governments was made. The rise of the German Navy from the year 1898 had considerable influence not only on British opinion but at any rate on official opinion in the United States.

The "new spirit" which the author correctly discerns in British-American relations in 1898–1900 could not be developed or made permanent until the outstanding disputes or causes of dispute were dealt with. The chief grounds for controversy were the Clayton-Bulwer Treaty of 1850 which gave the British Government a right to participate in the construction of a canal across the Isthmus of Panama, and the Alaska frontier which, after the discovery of gold on the Yukon, was an object of great concern and interest to the Canadians. For some years, accordingly, the *rapprochement* was in suspense, but by 1907 the controversies had been settled, not altogether to the satisfaction of the British, but anyhow settled, though a few years later there was to be some trouble over the Panama Canal Tolls question. Mr. Gelber deals with those questions sympathetically and fairly. He shows how, as the result of improved diplomatic relations and the clearing away of controversy, there was even developed between the two Governments, especially in the Far East, something approaching British-American concert. The detailed narrative is brought down

to the middle of Roosevelt's second Administration. This book can be cordially recommended to all who have any interest in British-American relations. R. B. MOWAT.

91. ONLY YESTERDAY: An Informal History of the 1920's in America. By F. L. Allen. 2 vols. 1938. (London: Penguin Books Ltd. 8vo. 503 pp. 6*d*. each vol.)

MR. ALLEN'S book was first published in 1932. Most readers were by then aware of the change in American prosperity, but nobody in this country or in the United States realised how serious and prolonged the economic collapse in the United States was to be. In 1932, and still more in 1933, many associated the economic collapse of the 'thirties more or less directly with the gangsterism and other incongruities of American life in the 'twenties, so vividly described by Mr. Allen.

It is well that Mr. Allen's book should be republished and re-read to-day. We can now get a better perspective. The War loosed many anchorages of American life. And the incongruities described by Mr. Allen were symptoms of consequential moral drift. But democracies, unlike autocracies, can afford to recognise mistakes and retrace their steps. And America is finding, perhaps slowly and painfully, new and safer anchorages without sacrificing liberty of speech or conscience. C. WALEY COHEN.

92*. THE GROWTH OF THE AMERICAN REPUBLIC. By S. E. Morison and H. S. Commager. Revised and enlarged edition in 2 volumes. Volume I, 1763–1865; Volume II, 1865–1937. 1937. (New York and London: Oxford University Press. 8vo. Maps, bibl. Vol. I, xvi + 702 pp., 25*s*.; Vol. II, xvi + 695 pp. 15*s*.)

HERE is history at its most fascinating. The authors have rewritten the first edition of this work and turned it into two large volumes which do, indeed, constitute a record, in the textbook sense, of the political development of the United States, but are also something very much more. Ideas and personalities, scientific progress, social development, are welded together to make a book which cannot fail to be of value both to the student and to the general reader. The present reviewer is not competent to judge its accuracy of detail, but would hazard a guess that its critics are likely to be those who, disliking the authors' method or point of view, deliberately set out to find weaknesses. The book is illustrated by many excellent and interesting maps and charts. H. G. L.

93*. THE STUDY OF INTERNATIONAL RELATIONS IN THE UNITED STATES: SURVEY FOR 1937. By Edith E. Ware. 1938. (New York: Columbia University Press, for the American National Committee on Intellectual Co-operation. London: Humphrey Milford. 8vo. xxvii + 540 pp. 17*s*. 6*d*.)

A comprehensive survey of every aspect of the study of international relations in the United States. Research organisations: university and school curricula: adult education: religious education for peace: methods and channels of contact: under these broad headings, with many subdivisions, is here collected a vast amount of information regarding organisations and their work.

94*. AMERICAN FOREIGN POLICY. By P. E. Corbett. Reprinted from *The University of Toronto Quarterly*, Vol. VII, No. 2. January, 1938, pp. 209–227.

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LIONEL CURTIS served in the South African war, after which he was Town Clerk of Johannesburg; Assistant Colonial Secretary to the Transvaal for Local Government; Member Transvaal Legislative Council; Beit Lecturer, Colonial History, Oxford; Fellow of All Souls College; Secretary to the Irish Conference, 1921. Mr. Curtis was one of the founders of Chatham House and was Honorary Secretary from its inception until 1929.

THE MARQUESS OF LOTHIAN, C.H., is Secretary of the Rhodes Trust. He was Private Secretary to Mr. Lloyd George, 1916–1921; Parliamentary Under-Secretary in the India Office, 1931–32; and Chairman of the Indian Franchise Committee, 1932. Lord Lothian has recently returned from a visit to the United States.

GENERAL L. E. FAUCHER was head of the French Military Mission in Czecho-Slovakia 1918–1938.

MR. H. N. BRAILSFORD has recently returned from a visit to Libya and Tunis.

LIEUT.-COLONEL SIR ARNOLD WILSON, K.C.I.E., C.S.I., C.M.G., D.S.O., M.P., has had long experience of the Near and Middle East. He is the author of *The Suez Canal* (1933) and many other works.

WORLD ORDER[1]

LIONEL CURTIS

IN opening this discussion of "World Order" I may be allowed to mention the train of events which led me to deal with so large a subject. In January 1900 I reached South Africa with the British Army, and remained there, when war was over, to take a hand in the tasks of reconstruction which followed. By signing the Peace of Vereeniging in June 1902, the Boer leaders surrendered the independence of the Transvaal and Orange Free State, after fighting the whole might of the British Empire for nearly three years with heroic courage and endurance. The two conquered republics were then organised as Crown Colonies, under governments composed of officials who took their orders from the British High Commissioner, Lord Milner. Between these two inland colonies and the sea lay the Cape Colony and Natal, each under governments responsible to electorates. These four colonial governments were all composed of men distinctively British in sympathy; yet the ink was scarcely dry on the Peace of Vereeniging before they were all at each other's throats, over customs and railway rates, native policy, and a large variety of other contentious subjects. Lord Milner induced them all to accept a customs convention, but only by making concessions to the self-governing colonies, such as no Minister responsible to electorates in the Transvaal and Orange Free State could possibly have made. An open rupture between these four British governments was, at times, only prevented by Lord Milner's authority, backed by his great prestige.

In 1905 Lord Selborne succeeded Lord Milner. In 1906 a Liberal Government had come into power in England with an overwhelming majority, and Sir Henry Campbell-Bannerman announced his intention of granting responsible government to the Transvaal and Free State as soon as constitutions and electoral rolls could be framed. I thought at the time that this step was right, and think so now in the light of after events. Yet we on the spot were aware, as I think that Liberal Ministers in Whitehall were not, that electoral governments in the Transvaal and Orange River Colony would at once collide with the governments in the

[1] Address given at Chatham House on February 21st, 1939; Mr. Ernest Bevin in the Chair.

Cape and Natal, and that in a country where rifles went off with remarkable ease.

In view of these dangers Lord Selborne commissioned a small group of officials to prepare a survey of the whole situation under his guidance, and I was told off to visit the neighbouring governments and report. I was introduced to Ministers at Bloemfontein, Capetown and Pietermaritzburg, who impressed me as honest and public-spirited men. I was shocked, however, to find that each of these four governments had the worst opinion of all the others. Each of the four seemed to think of the other three as conscious villains, which I knew they were not. There must, we began to feel, be something wrong with a system which made perfectly decent men think so meanly one of another. We thus began to suspect that the troubles from which we were suffering were due to defects in the system, rather than to vice in the men who were trying to work it.

At this juncture it occurred to us that a study of conditions which followed the American War of Independence might throw some light on our own situation. Oliver's life of Hamilton, which appeared at this time, led us to read *The Federalist*, a series of pamphlets published in 1787 by Hamilton, Madison and Jay in New York, when acceptance or rejection of the federal constitution drafted at Philadelphia hung in the balance. From the pages of *The Federalist* we learned that during the War of Independence the thirteen colonies had bound themselves together by Articles of Confederation which described themselves in terms as "an indissoluble compact." But, none the less, by repeated failures to abide by their compacts, the thirteen sovereign States had reduced the system to anarchy. The coastal States were taxing the traffic which passed through their ports to the inland States. Here was one of the troubles by which we were faced in South Africa. The Confederate Government of the United States had failed to execute the treaties it had made with Great Britain and Spain. For, in order to execute those treaties, the Confederate Government had to call on this or that sovereign State to take some particular action, and the State so called on had left that action untaken. In the field of finance there was utter confusion. During the War the Confederate Government had raised loans from patriotic Americans, and also from France and Holland. To pay the interest due to its creditors the Confederate Government had to apply to the thirteen sovereign legislatures to vote contributions on a scale set out in the "indissoluble compact." A number of States had failed to vote their allotted

quotas. The Confederate Government was in default to its creditors, the whole system was bankrupt and the United States threatened with anarchy.

The failure of sovereign States to fulfil their compacts had thus been proved by actual experience in America. The Federalists showed that the same results had followed in Greece, in Germany, in Switzerland and wherever attempts had been made to establish a stable society on the basis of compacts between sovereign States. They drew the momentous conclusion that a stable society cannot be so founded, and further explained why this must be so. When a sovereign State failed to fulfil its compact when called on to do so by a Confederate Government, the only remedy to which that Government could resort was to call on the sovereign States which had fulfilled their compacts to coerce the defaulting State by making war on it. A confederacy could in fact operate only by virtue of continuous civil wars. Their particular application of these general conclusions to the case before them was that the thirteen sovereign States of America, by virtue of the Articles of Confederation, must fail to attain their declared object of preserving peace as between the States or of presenting a united front to the world without. The remedy, they showed, for this state of affairs was contained in the constitution drawn up by the Congress of Philadelphia. The Federal Government must derive its authority, not from the States, but direct from the people themselves who composed the States, and must also be able to enforce obedience to that authority on persons who disobeyed it.

These principles were illustrated by Hamilton in the field of finance. When a State failed, as it often did, to pay the Confederate Government its dues, the Confederate Government's only remedy was to call on States which had paid to make war on the State in default. The Federal Government must therefore have power not only to tax individuals but also to collect the tax if necessary by obtaining a writ of distraint from courts of its own, and by sending police of its own to distrain on the goods of defaulting taxpayers. Its police could call, if necessary, on loyal taxpayers to support their authority. Whether the State were to stand or fall would then simply depend upon whether enough citizens could be found who were willing to risk their lives, as well as to pay their taxes, in order to enforce its laws.

A member of the Faculty of Law in Dalhousie University has recently told the readers of the *Canadian Bar Review* [1] that:

[1] *Canadian Bar Review*, Vol. XVI (1938), p. 156.

"All order, national or international, rests on force or the threat of force." The fallacy of this popular doctrine can be seen from the case here quoted. Whether the State can exert force to coerce a defaulting taxpayer depends upon whether enough of its citizens will consent to do so in loyalty to the State. When Lincoln called on all citizens loyal to the Union to enforce its law on the seceding States, the issue depended upon how far Americans were willing to risk their lives to enforce the law. Force is no more than an instrument. The power of the State to use that material instrument depends on a spiritual factor, loyalty to the State in the hearts of its citizens. A saying of Admiral Mahan goes to the root of this question: "The function of force in human affairs is to give moral ideas time to take root."

I have dwelt on this matter because the Federalists were the first to explain the vital distinction between a system which is really organic and one which is not, between a system which rests on methods of police and one which rests on methods of war. The American Civil War was in essence, and in its results, a police operation.

As we read *The Federalist* more than thirty years ago in South Africa, we found that it threw a flood of light on our own situation. It showed us how systems based on compacts between sovereign States lead to disaster. It showed us that that was the way not to follow. It convinced us that the only effective way of preventing the wars which had scourged the country for fifty years lay in creating a government directly responsible, not to four colonial governments, but to the people of South Africa as a whole. By that way, and by no other, could we hope to substitute methods of police for methods of war.

These results were stated in a memorandum which was closely edited by Lord Selborne and published under his high authority. The remedy he proposed was made possible by the greatness of three men, the Boer Generals Botha and Smuts, and the British leader, Dr. Jameson. But I ask you to realise what it meant to us British, who had fought and beaten the Boers and then ruled them for several years. Responsible government in the Transvaal and Free State meant that Boer Generals were going to rule us in the conquered republics. But the Union meant, and we knew that it meant, that Boer Generals were going to rule the British in the whole of South Africa, including Cape Colony and Natal. In the face of that fact, we got our people to accept the Union, which was ratified in 1909 and came into being in

1910. In those years the shadow of the World War was already lengthening across the landscape. At public meetings we were asked this question : " You are telling us to establish a government for South Africa and then obey it. But what if Germany attacks the Empire and the Imperial Government calls on us to defend it? Suppose at the same time a Boer government, which you are asking us to establish and obey, then declares its neutrality and orders us not to fight. Which of the two governments are we to obey? "

The question was one for which we had no clear answer to give. We found ourselves faced by a conflict of loyalties; and we decided to go back to our old methods of research to find where our ultimate loyalty lay. As I had given my whole time to research for the Union, I now undertook to give my time to answering the question what the British Commonwealth was. It included, I found, one quarter of mankind. But it also included territory on every continent, and sections of every race, of every religion, and of every level of civilisation. It was not merely a quarter of mankind, but a cross-section of human society. I began to see that its problems were soluble only in terms of the world question. And now, after years, I will go so far as to say that no country or community, however small, can really hope to solve its problems except in the light of the world question. By that I mean that if you want to solve your own national questions, you will only do so by first asking, What are the paramount needs of the world as a whole? and by then thinking what your own country can do towards meeting those needs. I was thus led to study the world question.

I must now endeavour to say what that question is. For the last 150 years we men have acquired an ever-increasing control of physical forces; and this control has reacted on human society to change its quantity and also its quality. Mechanisation has greatly increased the number of people who live on this planet. But while it has greatly enlarged the volume of human society, it has changed its character by rendering every part of it closely dependent on every other. What one small country, a Serbia or a Czechoslovakia, does or leaves undone instantly affects the whole of human society. What one individual does, a Mussolini, a Chamberlain, a Hitler, a Roosevelt, may shake the whole structure to its very foundations. We have gained control of physical forces, without acquiring any corresponding control of human forces—that is to say, of ourselves. Socially and economically human society is now one closely integrated unit.

Politically human society is fragmented into some sixty sovereign States. The position is better stated than I can state it by Mr. Foster Dulles on page 102 of his book *War, Peace and Change.* "The world," he writes, "is thus in imagination peopled with some sixty super-beings. These imagined beings are endowed with primitive and conflicting desires. There as yet exists no authority to provide, as between such desires, other solvents than that of might. The 'ethical' solution also fails to operate because group authorities are not deemed to be subject thereto, or to have any duty to each other. The personified States are not endowed with the spirit of sacrifice and renunciation. The 'ethical' principle operates, to be sure, upon the individual group members, and creates a willingness on their part to sacrifice for others. But the 'others' tend more and more to become the personified States to the exclusion of more universal causes."

In a word, each sovereign State tends to look at its own separate and several interests, in disregard of what the results may be to the rest of humanity. For human society there is no government, and so, for its paramount interests, no control.

After the catastrophe of the World War, this position was realised by the statesmen who assembled in Paris to attempt the gigantic task of restoring the shattered framework of human society. The remedy they applied was the League of Nations based on a covenant which recognised and emphasised the sovereignty of the States it proposed to unite. The task of keeping the peace between these States was laid on the Council and Assembly at Geneva.

Lord Robert Cecil had asked me to go to Paris as a member of the section he had organised to advise the British Government on the subject. His reason for doing this was that I had written an article called "The Windows of Freedom" in the *Round Table* for December 1918, in which I advocated a League of Nations, designed to secure the discussion of international relations by foreign ministers meeting face to face at some place like Geneva, with a common secretariat to assist them. But when I saw the draft of the Covenant with Articles 10 and 16, my impression was that here was a travesty of the American Constitution, drawn in disregard of all the principles upon which that Constitution was based. The Covenant was a close counterpart of the Articles of Confederation which *The Federalist* had shown to be unworkable. I feared that, like the Confederation, it would lead to unimagined and unforeseen troubles. But I also remembered that the Confederation had been a step to the Federal Constitu-

tion under which the United States of America had grown to its present greatness. Now, as then, human affairs must proceed by the process of trial and error. The League of Nations had to be tried : but I also felt that during the period of trial all should be ready to read the lessons of experience, and especially the lessons of failure.

We have had our twenty years of trial, and now can see that in actual experience collective security is neither collective nor yet secure. To-day we are faced by hourly risks of a war which, if it starts, will be more widespread and far more devastating than the war which started in 1914.

From July 1938 to January 1939 I was travelling through Australia, New Zealand, Canada and the United States, and have felt at times as though I were back in those days, thirty-five years ago, when I visited South African governments. Everywhere I found that people were blaming individual statesmen for the failure of the League. First it was Lloyd George, Poincaré, Mussolini. Then it was Simon, Laval and Hoare. Now it is Hitler or Chamberlain, Daladier or Halifax. Is it not time, I ask, that we stop distributing blame to statesmen, and examine the system, or want of system, they are asked to operate? Is it not time that we take a leaf out of medical practice, and try to diagnose before we begin writing prescriptions?

I will therefore make bold to give my own diagnosis, which is this. *I suggest that the principles stated in* The Federalist *are no less true of international relations to-day than of the thirteen States to which they were applied by Hamilton, Madison and Jay, who were, as we know, speaking the mind of Washington.* Now, as then, compacts between sovereign States are foundations of sand. The larger and stronger a structure founded on sand may be, the more certain it is to collapse by its own weight, and involve in its ruin those it was meant to protect. To create a stable society you must do what Washington did : you must drive piles through the sands of compact right down to the bedrock which Lincoln described as " dedication." By that he meant loyalty, the infinite duty which each individual man owes to his fellow-men. No kind of authority can really secure the peace of the world unless it is responsible to individuals and rests on individual loyalty. International law is a figment, so long as it rests on parchment compacts between sovereign States. It is just that old wolf anarchy, closely disguised in a clothing of legal sheepskins. The reason why law in the true sense of that word cannot rest on compacts between sovereign States is this : that it creates a conflict of

loyalties. Take my own case. Is my ultimate loyalty due to England, to the British Commonwealth, or to the League of Nations? I cannot answer that question.

My meaning is that nothing can solve the problems we are now facing but a world government responsible, not to States, but to all individuals fitted for the trust. That is the goal, however remote, at which we must aim. In handling all human affairs you must first decide what you are trying to do, what is the goal you are trying to reach. I am now convinced that a world commonwealth embracing all nations and kindreds and tongues is the goal at which we must aim before we can hope to move to a higher plane of civilisation. Indeed, I will now go so far as to say that unless we conceive that goal in time, and take steps to approach it, our present stage of civilisation is doomed to collapse.

I am sure that a world government is the ultimate goal we shall reach. I am equally sure that its structure can only be built little by little, bit by bit. And I strongly suspect that the first step is by far the most difficult. The world is obsessed by nationalism. That national States are the last word in political construction is an almost universal assumption. I believe in preserving all that is best in nationalism and that sooner or later men will rise to the new idea that two or more nations, without losing their characteristics or freedom, can unite in one international State, can erect one federal government responsible to all their citizens fit for the task, for maintaining peace between themselves, and also between themselves and the world without. I believe that they will form a federal government, limited to that purpose, leaving all other activities to the national governments where they now rest. I believe that the nations so united in one international State would presently find they had attained a higher degree of freedom. In a few generations other States would be eager to enter the federation, and the process of accretion, once started, would advance more rapidly than men are now able to conceive.

> "If you can dream—and not make dreams your master,
> If you can think—and not make thoughts your aim."

It is not enough to conceive the goal. When you have done that, I hold it a duty to force yourself to think what practical step can be taken to start men on the path which leads to the goal. It is for that reason that I have forced myself in the closing pages of *The Commonwealth of God* to say what I think the first and most difficult practical step might be. From the nature of the case,

I feel that it could only be taken by the most experienced commonwealths. I have therefore given my own personal view that a beginning might be made by Australia, New Zealand and Great Britain. I believe that if that step could be taken in time, humanity would be saved thereby from sufferings untold.

I have always been conscious that any proposal of mine for creating the first international State was likely to be biased by my own national outlook. This feeling grew stronger as I travelled back from Australia, where I had gone to attend the Sydney Conference on British Commonwealth Relations in September 1938. I had no intention of broaching the subject dealt with in these pages in North America; for I hardly expected to find anyone there prepared to regard it as a subject for serious discussion. I was, therefore, greatly surprised on reaching British Columbia to find a letter from the Secretary of the Canadian Institute of International Affairs inviting me to visit its branches and address them on the theme set forth in *The Commonwealth of God*. Having promised to visit some friends at Portland, Oregon, before starting to cross Canada, I there accepted an invitation to address a gathering at the University Club. The attitude of mind I encountered at Portland led me to see that I had greatly misjudged the readiness of people in North America to discuss these ideas on their merits. When I afterwards visited Vancouver, Calgary, Edmonton, Saskatoon, Regina, Winnipeg, Ottawa, Montreal, Boston and Toronto, this impression was strengthened, more especially by a review of my book in the *Winnipeg Free Press*, which I chanced to read in the train. At Winnipeg I was asked to address a joint meeting of the men and women's Canadian Club, and again at Toronto an even larger gathering of the Canadian Club in that city. At these various gatherings on both sides of the international frontier I found a number of people who seemed to regard an international commonwealth in the genuine sense of that word as the true and practical goal of human endeavour.

It thus began to dawn on my mind that people accustomed to live under federal institutions were perhaps more likely to hit on the best road to an international commonwealth than those like myself who have lived under unitary governments. In England my greatest difficulty has always been that people here have no practical experience of federal government. They scarcely know what it means, as anyone will realise who studies decisions of the Privy Council on the constitutional questions of Canada. In Canada, as in the great Republic south of her frontier, there are people who know all that is known at present

of the practical working of federal institutions. They know the difficulties and are versed in the art of overcoming them. It was on this continent that men who had handled government first conceived these institutions, explained the principles on which they rest and applied them in constitutions which brought into being the largest and most impregnable area of peace on this earth. So the thought entered my mind that Canadians and Americans might see in their own institutions a key to the problems of a suffering world and teach the world how to use that key. Then indeed would a time be in sight when man would cease to torture his own flesh with the scourge of war.

The Council on Foreign Relations in New York had asked me to address them before sailing for England in January 1939. As I was preparing to leave the house where I was staying to keep this engagement, Mr. Clarence Streit of the *New York Times* called to see me. He had been on President Woodrow Wilson's staff at Paris and had for years represented the *New York Times* at Geneva. In watching the League at work he had seen how unstable a system based on compacts between sovereign States must be. He had then discovered and read *The Federalist*, which had shown him why this must be so. On the invitation of my host, Mr. Streit accompanied us to the meeting, and afterwards put in my hands an advance copy of his book *Union Now*, privately printed at Geneva, but due for publication in February. The reading of that book as I crossed the Atlantic was a thrilling experience. As I say in my own book, the transition from the national to the international State is perhaps the most difficult step in political construction that man will ever attempt. In crossing the continent from British Columbia to New York, the idea had first entered my mind that here might be found the thinkers who would lead a civilisation threatened with ruin to face that transition, and might show them how the thing might be done. That idea had already been realised, before I conceived it, on lines larger and bolder than I myself had dared to imagine.

Mr. Streit shows how restricted and how precarious is the freedom which peoples enjoy under national commonwealths. He proves with unanswerable force what an increase in personal freedom, material prosperity and national security the democracies would gain by joining one international commonwealth. He has brought to bear on the subject a better grasp and also an incomparably fuller knowledge of the social and economic factors than I can command. I have dealt more fully with the

moral and religious foundations of freedom than was possible in the length to which Mr. Streit has wisely limited his work. As Professor Toynbee has said, " Western Liberalism is merely the political husk of Christianity, without its spiritual kernel." The belief that democracy is by nature opposed to religion, which dominated thought in the nineteenth century, was doubtless due to the French Revolution. The established Church was so closely bound up with the *ancien régime* that the Revolution was bound to aim at destroying them both together. Apart from the influence of Voltaire, the mistake of confusing institutional religion with religion itself—that is to say, a spiritual view of the universe—was inevitable. Marxism, with its by-products Fascism and Nazism, is at last leading the world to realise that the democratic commonwealth is the Sermon on the Mount translated into political terms. The message which President Roosevelt addressed to Congress at the opening of this year (1939) marked an epoch in history; for here was the first executive officer of the greatest commonwealth in the world telling its legislature that the system for which they stand has its rŏots in religion.

In my talks with the branches of the Canadian Institute, the World Peace Foundation at Boston and the Council on Foreign Relations in New York, I made one practical suggestion. It was this. I suggested that each Branch of the Canadian Institute should get into touch with a group organised by the Council on Foreign Relations in the nearest city south of the frontier. I suggested that these Canadian and American Groups should jointly consider the question " whether the key to international relations might not be found in the principles which underlie the Constitutions of the United States of America and of Canada, as propounded in *The Federalist.*"

If perchance this suggestion bears fruit, Mr. Streit's work will provide pertinent matter for these joint discussions.

Summary of Discussion.

Professor C. K. Webster said that it was fitting that from time to time there should be an address upon some lofty theme to contrast with the very earthy character of most of the discussions which took place at the Institute, and surely no one could be better fitted to undertake such a task than its founder. Contrary to the usual practice, the latter appeared only very rarely to speak to them in public, however much he might inspire them behind the scenes, and all were deeply grateful for what he had said that evening.

There were not many who would disagree with Mr. Curtis's main theme: that to ensure the peace of the world some sort of world

State was necessary. It was an obvious lesson of history. When the lecturer had been making his unitary Constitution of Africa and inventing his Federal Constitution for the British Empire, which unfortunately had never been adopted, he (the speaker) had been studying European history and travelling in Europe and had written a paper entitled "The Evolution of the World State." There seemed to be two questions raised in Mr. Curtis's paper: first, whether the creation of the League of Nations had been a great mistake, and, secondly, whether the only way to a world State was through a federal system.

Concerning the formation of the League of Nations, no one could say that President Wilson and his staff had not been well acquainted with *The Federalist* and with the federal system. He did not know whether the lecturer wished to assert that it would have been possible to create a Federal World State in 1919, but in his opinion such a view was contrary to the facts. The United States more than any other Power had limited the functions of the Covenant of the League of Nations. When studying *The Federalist* it would be well to study the life of Alexander Hamilton. Hamilton had not believed in the new Constitution, but had thought that he could have made a better one had he been entrusted with the task; but he had accepted that Constitution as the best possible thing at the time, and instead of putting forward negative criticism, had thrown himself forward as a passionate advocate of the cause, and this was one of the reasons why it had succeeded. If those people who had seen the obvious faults of the League, especially influential members of the public of the Great Powers, had during the earlier years made strenuous efforts to strengthen it, instead of putting forward merely negative criticism, matters might be very different to-day. The lesson of *The Federalist* was that a new creation had been evolved because of the conviction and unity of the men who had started it. This unity and conviction had been lacking among the members of the League.

Secondly, it must be remembered that no federal State had come to its full fruition without a civil war. What Hamilton had seen to be necessary had only been made possible through a civil war. The same thing applied to Switzerland and to Germany. Always at the crucial moment of the surrender of sovereignty there had been war. The passage to a world State through a war was not as attractive as the picture shown by the lecturer.

He did not know if the lecturer had meant to imply that democracy was one of the essential elements of a federal State. There were examples where democracy had not been present in parts of such a State. But if democracy were to be a *sine qua non* of a federal State, then the world might become divided into two opposed camps, which would surely be likely to lead to friction between them, and ultimately to war.

It was exceedingly unjust to the democratic forces on the continent of Europe to say that "Western Liberalism is merely the political husk of Christianity, without its spiritual kernel." It was necessary

to hear a professor from the Sorbonne really warming to his subject before a sympathetic audience to realise that liberty in the French sense was not a mere negative conception, relegating Christianity to the background, but that it was a real and fervent belief in elementary human rights on which the whole basis of human society must be built; and in the greater portion of the Latin world those things counted for much more than did their Anglo-Saxon counterpart which had been the substance of the lecturer's address. The Spanish States of South America had been in somewhat the same position as those of North America, but it had not been possible to apply the federal solution in their case because their previous history and their Latin conception of life had made it impossible for them to use it in the same way.

MR. H. WICKHAM STEED said that he agreed in part with the statement that there was no fundamental incompatibility between the Church and the Declaration of the Rights of Man. The lower clergy under the Third Estate who had been more in touch with the people had felt no inherent antagonism towards it, it had only been the higher clergy who had afterwards set their faces against it.

He had had the privilege of knowing Mr. Streit for more than twelve years. After serving during the Great War, and then on President Wilson's staff in Paris, he had returned to the United States, and had been through a University, had been a Rhodes scholar, spending a year at Oxford, had then travelled through Asia Minor, and had settled down at Geneva in 1929 as correspondent of the *New York Times*. As a Wilsonian he had been a sympathiser with the League, watching it with a loving eye. During those years he had realised that the greatest difficulty standing in the way of the League was the persistence of the concept of neutrality among its members which Article 16 had been designed to kill. Thus he had come to the conclusion that it was the fact that the League was composed of sovereign States which made a real community of nations, with an effective Common Law of its own, impossible on the basis of a League. In the very important book which he had written, *Union Now*, he demanded *union*, not a league or alliance, among the democracies immediately—between Great Britain, the Dominions, the United States, France, Switzerland, Belgium, Holland, the Scandinavian countries, Finland. He saw in democracy the only chance of preserving human freedom, and the only chance for its survival in this " union now," which would have a command of such resources, both actual and potential, as would give pause to any aggressor or combination of aggressors. Then, when this union had been formed, other nations now under dictatorship would see the disadvantage of remaining outside it and the advantages of belonging to it, and would make such modifications in their own methods of government as would be necessary to enable them to become members. Mr. Streit had explained very carefully the financial and economic advantages of such a union, and the salient features of his book had been broadcast throughout the United States on a national

"hook-up." It was to be hoped that through the B.B.C. it would be broadcast to the British Commonwealth. It was not possible to overestimate the danger to which the British Commonwealth was now exposed. They had gone back on the only general lofty principle for which they could have asked not only the lives of their own people, but the sympathy of the rest of the world. If it should be necessary now to fight on a territorial issue, it was doubtful whether the support from the Empire or Commonwealth would be so immediate or so unanimous as it would have been last September, when a principle had been involved. The scheme outlined by the lecturer and by Mr. Streit provided a chance which should not be missed.

DR. A. D. LINDSAY said that on first reading the lecturer's paper he had thought it very unreal, and on a second reading had still found it unreal to a certain extent. He agreed that none of the nations would have been prepared to accept a federal government at the end of the War. He thought it would be difficult to form a federal State to-day. He did wish, however, to express his agreement with the underlying theme of the address, which was that it was useless to try to obtain any sort of unity in society unless the different individual members believed in it. The trouble had been that the members of the League of Nations had not believed in it. It had been a mistake to think that the important thing was to get everyone in. The all-important thing was that all should believe in that to which they belonged. The lecturer had been right when he had said that the strength of any Commonwealth must depend on the strength of the loyalty of the individuals who belonged to it. It was necessary to draw together all those people who did want unity and who did believe in it, and if this meant dividing the world into two camps, surely this would be better than having it divided into one large and horrible camp and a lot of isolated distracted States. Looking back, one might say of the League of Nations that either it ought to have done more or it ought to have done less. It could not have done more, and so perhaps it had tried to do a little too much, and had so led its members to think that they had no responsibility, that they could do as they pleased and it would continue on its own without their support. He, personally, had no fear of the bogey of sovereignty; except that it was a silly theory, it did no harm. The facts behind the theory did harm. It was necessary that those people who had a real feeling of responsibility both for their own nation and for the commonwealth of nations should come together and start to build on the principles in which they all believed.

MR. R. STOKES paid a warm tribute to the lecturer's address and also to his book *Civitas Dei*, but wished to suggest a point of view diametrically opposed to that put forward by Mr. Curtis.

Mr. Curtis had pleaded for a world State, but the speaker wanted to suggest that it was not only an impracticable dream, but also a morally

wrong ideal. He agreed with all that the lecturer had said about *The Federalist*. It was one of the greatest books on political philosophy ever written, and he agreed with the lecturer that the causes of the failure of the League of Nations undoubtedly lay in the disregard of the principles laid down in *The Federalist*. Further, he agreed that it was those principles, incorporated in the Constitutions of South Africa, Canada and Australia, that had given those Constitutions the cohesion upon which they had built up their sovereignty. But when it came to larger units, he would point out that even under the most favourable circumstances for its extension, namely within the British Empire, the main principle of *The Federalist* had broken down. Mr. Curtis had before the War produced a book to persuade the British Commonwealth to adopt the principle of federalism, but even his persuasive reasoning had failed.

PROFESSOR ARNOLD TOYNBEE said that he had not yet read Mr. Streit's book, but he had first met him in Constantinople in 1921. He was certainly a man of mark, and what he had to say would no doubt be important.

The important point in Mr. Curtis's thesis, it seemed to him, was not the difference between the constitutional structure of the Covenant of the League of Nations and that of a federal world State, but the fact that the world had become economically and morally a unit while it was still politically divided. A study of history would show the danger of the present situation, because all past civilisations had come to grief through a failure to solve this problem. The danger was not that a world State would not take shape, but that it would be established by methods of violence which would be the ruin of society.

The Roman Empire was a good example of a world State which had been formed in this way by a process of conquest that had destroyed the other States in the Graeco-Roman world and had ruined that world economically and morally. A world State was a necessity, but the line of least resistance for reaching this inevitable goal was by a process of conquest which would destroy everything which at present made life worth living.

The interesting thing about the address and the book *Union Now* was that the idea behind them both seemed to offer a remote possibility of creating a world State by some less ruinous method than the traditional one of world conquest. It was only necessary to look at a map of the world to see that in a conflict in which the whole world would become engaged, North America would survive, and possibly also Russia, but that the European Powers would all inevitably perish. They were too small and close to each other not to be exterminated fairly quickly by modern methods of warfare. The project of a "union now" between the democratic nations held out the hope that the balance of power would be weighted so overwhelmingly on the side of this super-United States that it would be manifestly too formidable to be attacked and might therefore come to form the nucleus of a

world State without the destruction of our present society. But obviously when considering any project of world federation the problem of the moment was one of time. This was a crucial factor in the situation. For this reason, in the presence of that hourly danger of catastrophe to which the speaker had referred, the more ambitious plan of " union now " between all the democratic States might be more practical politics than the more modest idea of an initial union between Great Britain, Australia and New Zealand. The question was whether the pressure of the immediate danger would be sufficient to overcome the prejudices existing in Western Europe, and still more in North America, in favour of national parochialism, and whether this might come to pass in time to avert the impending catastrophe.

DR. DRUMMOND SHIELS said he would like to pay a tribute to the lecturer's courage and faith in restating the thesis of *Civitas Dei* at a time when nationalism appeared to be sweeping triumphantly across the world. Some form of world government was almost certainly the ultimate solution of international difficulties, and a collaboration of democracies was an obvious and natural beginning. The Dominions, however, were already closely associated with Great Britain in respect of foreign policy, and it was unlikely that they would be willing to retrace their steps and to accept more formal commitments unless these were part of a much bigger scheme. If the United States, possibly with the addition of the Scandinavian countries, were prepared to come in, the attitude of the Dominions would be different.

Before a world government was possible, however, material and psychological factors making for aggressive nationalism and racial antagonism would have to be more frankly faced. The most obvious and urgent problems were not necessarily the most fundamental. Was world unity in government possible, for example, while financial and trade rivalries existed between nations whose internal economy was based on a profit-making system which had many extra-national ramifications? Also, what about racial and colour prejudice, perhaps more acute to-day in a political sense than it had ever been? Could there be world unity while this question was unsolved, and, if not, how could it be solved?

He was not quite certain whether the lecturer had meant that there was no further use for the League of Nations. Any kind of world federation would take a long time to build up, and, in the meantime, how were they to solve questions of national boundaries, movement of populations, raw materials, colonies, etc., without constant danger of crises and war? He thought the lecturer had been rather sweeping in implying that sovereign States could not find common ground or make progress towards international agreement. The record of the League of Nations itself was a proof that this was not the case. In many fields of endeavour there had been great achievements, certainly in the economic, health, and social spheres, and—to some extent—in the political field. A stepping-stone to world government was required

ınd a reconstructed League of Nations should provide the necessary ink.

He thought Mr. Curtis had used the term " loyalty " in two different enses—as an honourable and intellectual adherence to a legal contract r moral obligation, and as the emotion of patriotism. The emotional ffect of the increased intensity of nationalism would work against vorld federation, but the consequent emotion of fear would work in ts favour. A blend of idealism with the instinct of self-preservation eemed to be present in the American reaction to the world situation.

He admired and shared the ideal of the lecturer, but considered that rogress to it would be assisted by getting sovereign States back as oon and as much as possible to the conference table.

MR. RENNIE SMITH suggested that, while fully-blown federalism ould not be envisaged immediately, an accelerated and solid contribuion towards political co-operation could be made which would save he world from its present danger and lay the foundations of a future vorld order.

MR. GEORGE EDINGER said that he remembered before the War aving had the great privilege of meeting a man whose pioneer work or a world federation had never been sufficiently appreciated, Sir Max Vaechter, a Prussian, the son of a Lutheran pastor who had come to England and made a fortune and had then spent his time considering ow a federation of Europe might be brought about. In pursuit of his idea he had seen all the rulers in Europe, all the pre-War monarchs. He had tried to persuade them to come into some kind of federation nd to begin by dropping the customs barriers. This was still the first hing to be done to-day. Dr. Hodza had said as far back as 1920, vhen speaking of the already troublesome minority problem in Czecholovakia, that if the customs barriers could be dropped, no one would are whether they were Czechs or whether they were Poles. The best vay to start a union of the nations would be to remove the customs arrier between Germany and France.

VICE-ADMIRAL DRURY-LOWE said that Mr. Lionel Curtis in his final hapter of *Civitas Dei* had pointed out that the great difficulty in noving from one stage to another towards the final goal of a World Commonwealth lay in changing the minds of men. There was indeed great need for moral and spiritual rearmament, as many recent etters in the Press had emphasised. A world-wide spiritual regeneration vas necessary ; in other words, the present order would end in catasrophe unless men turned to God to regenerate it. He hoped this vould not be laughed at as visionary and " in the clouds." There were igher laws which governed the world and which had been thwarted hrough the lack of vision of mankind, and " where there is no vision he people perish." It was not by new weapons nor by new machinery hat the world would be saved, but by new men.

MR. ERNEST BEVIN (in the Chair) said that the matter which had always troubled him in considering any type of world co-operation was the relationship existing between Great Britain and the rest of Europe. The former had traditionally followed, and to-day was reaping the reward, a policy of safeguarding her own security, and doing so by keeping Europe divided. It was now found necessary to build up a system which would allow Europe to unite. The key to the Commonwealth idea was not to be found on the circumference of the world, but in the European centre. He, personally, had always approached problems from an economic point of view. The trouble with the League of Nations had been that it had been given a political head, a Labour tail, but no economic body, neither had it been provided with any instrument for dealing with the economic position which had arisen as a result of the World War. Had there been an economic conference similarly constituted to the International Labour Organisation, meeting every year to discuss the economic difficulties and raw-material requirements of each State, or group of States, the question of reparations, for example, would not have reached the magnitude it did, and the difficulties which created the present political situation would, to a great extent, have been avoided.

It was also interesting to observe that those nations which entered the League through the I.L.O. had entered more willingly and clung to it more tenaciously than those which primarily belonged to the political side of the League, the reason being that it was easier to induce the nations to discuss problems than to discuss politics. It made a great difference if the discussions were purely economic. For years it had been his job to promote unity amongst conflicting organisations, and he would never have succeeded if he had put before them cut-and-dried constitutions. The only way to promote unity amongst people was to induce them at the same time to concentrate upon problems with which they were economically confronted. In this way solutions to the problems were sought rather than differences magnified.

He had discussed with a member of the I.L.O. as to whether it would be possible to study the cartelisation of industry and to ascertain whether such cartelisation could be on a Labour basis, instead of merely by commercial agreement. If, for instance, it were possible to secure in the international steel trade, where a cartel had been established, a conference representative of international Labour to discuss the conditions of labour that should apply to the cartel internationally, thus giving it a stable foundation, people would become more interested in their problems and would forget their national differences. They would then begin to discover the programme which would be best for the steel industry as a whole. The world was so small industrially. Those who spoke of the impossibility of world order to-day forgot that the progress of science had cut down distance and brought countries very near to each other. It was not possible to discuss the wages operating in industry in England without considering at the same time the wages operating, for instance, in Japan. The so-called

democracies, with Russia, controlled 78 per cent. of the world's surface, with its raw materials, markets and opportunities for development. Middle Europe and Japan was limited to the balance of 22 per cent., yet it was in the latter that it was so necessary that the standard of living should be raised. If the democracies collaborated they could, having regard to their economic facilities, create conditions whereby they could invite these other countries to come in and enjoy the full economic advantages, provided they were willing to observe recognised labour standards and to give up using the instrument of war. There was never more than 13 per cent. of any commodity entering the international pool which affected the price level, yet this 13 per cent. had been the vexed factor in disturbing world stability. If this comparatively small percentage of the total world production at present floating about the world could be stabilised, then the fear of intermittent depression would be conquered. It should be remembered that labour represented 75 per cent. of the total cost of any commodity, and if labour as an international force could be stabilised, a foundation could be formed upon which might be built a new political Order.

MR. LIONEL CURTIS said that he had noticed the use of the word "if": if this could be done or that could be done. But how were these things to be brought about? They could only be brought about by creating control or government. In federal government lay the instrument by which the plans mentioned by different speakers could be carried out. In *The Federalist* was the first expression by men who had handled government of the principles which must lie beneath any control and which would enable things to be done. When engineers set out to erect a bridge, they could only do it because they had grasped certain principles of physics and mathematics in order to erect the structure. The same thing was true of human affairs. They could not be understood by the philosopher who had never left his cloister as they could be understood by men who had actually been through revolution and who had handled government and who knew that the bond which united men was their loyalty to one another. By tying the thirteen States together with compacts, conflicting loyalties had been established. No answer had been given to the question: where was an Englishman's loyalty—to Great Britain, the British Commonwealth or the League of Nations?

Concerning his attitude to the League of Nations, he had always wanted a standing recurring conference at some place like Geneva of the leading statesmen of the world aided by a secretariat. He still believed that this would be a great advance on the old methods of diplomacy conducted mainly by despatches and telegrams. Had the Conference at Paris been satisfied with bringing the leading statesmen face to face, probably the United States would never have had cause to leave the arrangement, and secondly, and most important, conflicting loyalties would not have been created as they had been by Articles 10 and 16. After reading *The Federalist* he had come to the conclusion

that these structures erected to do the work of a State, while not a State, not only failed to do the work, but were in themselves positive dangers. The man who had played the part of Woodrow Wilson at the Congress of Vienna had been Alexander of Russia. He had had the imaginative idea of the Holy Alliance into which England had unwillingly and hesitatingly joined. Under Metternich the Holy Alliance had developed into a combination to suppress any signs of popular government anywhere in Europe. They had put Ferdinand back on to his throne in Spain, and then Canning had said, " No," and he had left the Alliance. Then they had tried to assert the dominion of Ferdinand over the South American colonies, and Canning had said that before this should happen the British fleet would stop it. Had there been instituted a Conference, instead of the Covenant of the League with Articles 10 and 16, Great Britain would most probably have asserted her sense of justice more quickly than she had done. She would have realised that the most important thing to do after the War was to strengthen the German Republic and not to ruin it, to help the German people to learn the difficult lesson of self-government. If sixty men were tied together with a rope, their pace would be that of the slowest. Similarly sixty sovereign nations tied together would achieve the pace of the slowest. Any one member of the League could paralyse action. For instance, because of the sufferings of the White Russians, Nansen had established his office for refugees, and had done a great and noble work, and then new refugees had come along, in greater need and in larger numbers, and when that office had been most needed it had been closed down, because Russia had never forgotten why the original Nansen office had come into being. This was a single instance of the kind of general paralysis which had caused and which had prevented the revision of the Treaty of Versailles. Had there been a conference with no definite obligations, the people of Great Britain would have come to their senses much more quickly, as they had done after the Napoleonic Wars, they would have attained more quickly their natural moral level, and would have set about liquidating reparations and helping the Weimar Republic on to its feet.

THE UNITED STATES AND EUROPE[1]

The Most Hon. the MARQUESS OF LOTHIAN, C.H.

THE United States is in many ways the most interesting country in the world. It contains a hundred and thirty million people. Its population is derived from almost every race in Europe. It has enormous problems of its own, economic and social, as well as political. It is the largest democracy, and having lived remote from Europe for more than a hundred and fifty years, it is extremely difficult for any European to understand the way in which the United States looks at affairs outside itself. I am not going to discuss the economic problems associated with the New Deal, important as they are, and important in their ultimate reaction on foreign policy. I am going to confine myself to what interests most people in Great Britain, and indeed in Europe, to the question of what is the United States' attitude to external affairs to-day.

As you know, for a hundred years the steady policy of the United States was complete detachment from Europe and its politics. The Monroe Doctrine was in effect a statement by the United States that, provided Europe did not interfere politically in the affairs of North and South America, the United States would be equally disinterested in Europe. Its only other foreign policy during that hundred and thirty years was its own doctrine of the freedom of the seas, that is to say a steady resistance to our interference with American trade when we were at war beyond what the United States regarded as the traditional rights of a belligerent.

The entry of the United States into the War I think surprised all those who knew her best. Nobody could have prophesied it when the War began in 1914. The reasons for that entry were, I think, in effect four. First of all American sympathies definitely came round to the side of the Allies after the invasion of Belgium and the sinking of the *Lusitania*, and it was that sympathetic association with the Allies which made it impossible for the United States, later on, in spite of all the quarrels she had with us over the freedom of the seas, to carry that quarrel to the point, as

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she had done in 1812, of going to war with us, because it would have meant assisting Imperial Germany in its autocratic aims. The actual occasion of her entry into the War was the unlimited submarine campaign directed in increasing measure against American shipping. That was a direct affront to the United States and to her commercial interests, and was the final act which drove the United States into the War. Behind that was the growing conviction on the part of Woodrow Wilson and many other leaders in the United States that it was essential to the future of the United States itself that Germany should not win the War, and that France and England should not be defeated. Finally, there was what has been called the economic entanglement of the United States with the Allies. American industry was largely engaged in supplying not only materials of war, but other supplies to the Allies during the War. The degree to which this association of American finance and industry with the Allies helped to bring the United States into the War is actively disputed to this day. It played, I think, some part, but not a dominant part.

But when American intervention took place in 1917, it was completely decisive. I believe that after the Russian collapse in 1917 it had become impossible for France and the British Empire by themselves to defeat Imperial Germany. Once the Germans were able to move the greater part of their eastern troops to the western front, once it had become possible for them to develop sources of food and raw material supplies from Russia, it is difficult to see how France and England by themselves could have expelled the German armies from Belgium and Northern France. Yet until they had done that Germany could impose terms for liberating them. It was first of all the financial and economic support of the United States, and in the last year in particular the presence of some two million American soldiers in Europe, some of whom took part in the final offensives, but even more held great stretches of the line with partially trained troops, which enabled Marshal Foch to collect the seasoned troops of England and France and the Dominions in the great reserves which he threw into the battle-field in the last decisive months of the War.

Why did the United States in 1920 reverse the great decision of 1917 and retire into isolation? In the first place I think it was the re-emergence of the tradition of a hundred years, the tradition of America's fundamental policy of avoiding entanglements in Europe. That instinct was given powerful re-inforcement by Articles 10 and 16 of the Covenant of the League

of Nations, which implied that the United States was bound in the last resort to go to war in order to defend the frontiers which had been laid down at Versailles. If you read the great debates in the Senate which led to the rejection of the League of Nations, you will find that it was the attack on Article 10 which was the head and front of the attack made by Senator Lodge and others on the League of Nations. Secondly, there was the ordinary play of party politics in the United States, perhaps because the United States never formed a National Cabinet to fight the War. It was fought by a Democratic President assisted by great numbers of Republicans in non-political offices. But in the election held just after the War the President made an appeal for a Democratic Congress. This mobilisation of war-time sentiment behind one party, as they thought, infuriated the Republicans and led to an immense intensification of party strife over post-War policy. The Republican Party used its alleged entanglement of the United States in Europe as one of the main planks by which it opposed the President's championship of the League of Nations and by which it won the election of 1920. In addition, there were the personal idiosyncrasies of President Wilson himself. He had immense vision, but he was also driven by a bitter antipathy to his political opponents, and after the stroke which fell upon him when campaigning for the Treaty and the League he became more uncompromising than ever. He refused even to agree to those interpretative reservations to the Covenant of the League of Nations which were pressed on him by Lord Grey and others from Great Britain and by leaders of his own Democratic Party, and which, had they been accepted, might have carried the United States into the League. And, finally, as one very distinguished American publicist said to me a little time ago, there was a subconscious feeling of this kind : we have lived in peace and security behind the British fleet for a hundred and twenty years. The British fleet is once more supreme in the world. Why should we not go back to our old security and leave Great Britain to run the show as she has done for a hundred and twenty years, provided we keep a strong enough fleet also to prevent her from abusing her power? These were the main reasons why I think the United States retired from cooperation with the rest of the world in 1920.

For the following eighteen years from 1920 to 1938 she never altered that decision of political non-cooperation, though she soon came back to cooperation in economic and non-controversial subjects. But there gradually occurred a change in the interpretation. In the first place, some explanation had to be given

to the American public for their decision not to cooperate in world reconstruction as an answer to the constant barrage of criticism from Europe. In the first place it was explained on the ground of the defects of the Treaty of Versailles itself. In point of fact these defects did not play any considerable part in the campaign which defeated the League of Nations, but they grew in importance in later years. In the second place the unreasonable French policy towards the German Republic, and especially the invasion of the Ruhr, made France extremely unpopular in the ten years after the War, though few Americans realised that it was their own rejection of the Anglo-American Treaty of guarantee to France which largely drove France to that policy. In the third place the War Debts played a very considerable part in alienating popular American sympathy. The feeling that the Allies had used the United States in the War for all they were worth, that the United States played a great but seldom acknowledged part in securing the victory, and that when the War had been won and economic difficulties followed the Allies just left the United States to carry the financial burden, was very strong, however exaggerated. And, finally, the continual confusion and controversy in Europe itself and the increasing failure of efforts to maintain the peace and to establish a successful League convinced the United States that whatever difference it might have made if she had joined the League in 1920, she could not put Europe straight by joining it many years later. Throughout this period the political contribution of the United States to international affairs was based on two quite simple ideas, the advocacy of disarmament, and the Kellogg Pact, which was a general declaration against the use of war as an instrument of national policy.

But a few years ago, when totalitarian rearmament began and the risk of war reappeared, the United States developed its famous neutrality policy. That was a deliberate attempt on the part of almost all classes in the United States to contrive some system whereby, if another European war broke out, the United States should not be entangled into it by economic causes. On the one hand the United States renounced its old form of the doctrine of the freedom of the seas. One clause of the Neutrality Act provided for what is called the " cash and carry " system. It declared that, in the case of trade with belligerents, the United States ceased to take any interest in her munitions products once they left her shores. They had to be carried in foreign bottoms. They had to be paid for in American currency and the United

States gave notice that she would not use her Navy in order to protect the property of her commercial classes trading in munitions with belligerent Powers. On the other hand, in order to ensure that the United States could remain neutral whatever a European or Asiatic war was about, the Act provided that directly the President proclaimed that a state of war existed the export of implements of war was immediately to cease, quite regardless of whether one side was an aggressor and the other was not. Implements of war were broadly defined as weapons used in hostilities, that is guns, military aeroplanes, submarines, naval vessels, ammunition and so on. It did not include raw materials and food-stuffs. This Act operated, of course, to the benefit of those nations which could send their ships to the United States to fetch things they could pay for. But Neutrality as defined in the Act became the settled policy of the United States about three years ago, and there was practically no opposition to it until it became clear that it assisted the aggressor in China and in Spain, and until after the Munich crisis of September last.

The Munich crisis produced a prodigious effect in the United States, partly because of the drama in the crisis itself, partly because public opinion in the United States suddenly awoke to the fact that this was but the last of a series of crises, each one of which had disclosed the growing weakness of the democracies and to the growing difficulty of the United States itself being able to keep out of war if war took place, however much it wanted to do so. There is no country in the world in which public opinion to-day is more interested in foreign affairs and more universally informed by radio and Press than the United States. The amount of news which reaches the United States from Europe and Asia is greater than that which reaches any other country. People often say that the Middle West is indifferent to international affairs. That to-day is no longer true, and the reason is this : because foreign affairs to the average citizen of the United States to-day, as to the average citizen of this or any other country, is a question of whether or not they are going to be drawn into war, and the issue of war or peace is a matter of vital interest to every man, woman and child, the most vital interest of all. Therefore to-day you find really no difference in the interest in international affairs in the east, in the Middle West and on the Pacific coast.

When I arrived in New York in December, a well-known American newspaper, *Fortune*, had published a poll indicating the then sentiment of the United States about certain international questions. In the last few years the *Fortune* and Gallup polls have

been proved by electoral results to be extraordinarily accurate in their analyses of American public opinion. This does not mean to say that public opinion does not and will not change rapidly, but at any one moment they have been proved singularly accurate. The results of the December poll are extraordinarily revealing of the attitude of American public opinion last December, about the results of the Munich crisis. They are also extraordinarily revealing of how misleading a tendentious poll, like the famous Peace Ballot in this country, can be, and of how public opinion can, and usually does, hold several quite contradictory opinions at the same time. The first question was: Should the democratic Powers, including the United States, now stand firmly together and at any cost prevent Hitler and Mussolini from taking any more territory at the expense of other nations? The answers were as follows: 56 per cent. voted Yes, we ought to stand together; 31 per cent. No; 12 per cent. made no answer, or said they did not know. Then that general vote was analysed: 59 per cent. of the men said Yes, 30 per cent. said No; 52 per cent. of the women said Yes, 31 per cent. said No; 50 per cent. of the prosperous said Yes, 40 per cent. said No; 54 per cent. of the poor said Yes, 30 per cent. said No; 56 per cent. of the negroes said Yes, 17 per cent. No. What this question shows is that there was a big majority of all sections of the population on the main issue of whether the democracies should stand together. Now look at some other questions which reveal the latent contradiction in public opinion. You only get at the truth by asking a number of questions, each one of which in a sense corrects or contradicts the other. The second question was: If a major Power actually threatened to take over any of the following countries by invasion, would you be willing to see the United States come to its defence? The answers to that were very revealing, considering that 56 per cent. had just said that the democracies, including the United States, ought to stand together to resist aggression. The answers were as follows (in all cases the balance to make up the 100 per cent. represents the people who did not answer or said that they did not know): for the defence of Canada, 73 per cent. said Yes, the United States ought to intervene, and 17 per cent. said No; as regards the Philippines 46 per cent. said Yes, 37 per cent. said No; for Mexico, 43 per cent. said Yes, 40 per cent. said No; in the case of the invasion of England 27 per cent. said Yes and 57 per cent. said No; of France, 22 per cent. said Yes, 63 per cent. said No; of Brazil 27 per cent. said Yes, 53 per cent. said No.

Now consider public opinion about the Munich crisis in

September. If you were to judge public opinion from the big guns in the Press and from public speeches and from what people said to you in universities and organisations for the study of foreign relations, you would certainly get quite a different impression from the result of the *Fortune* poll: 8 per cent. were vehemently condemnatory of the policy of Mr. Chamberlain; 19 per cent. said that they thought it was probably a foolish and in the long run a short-sighted choice; 47 per cent. said: " Well, it was too bad that Czechoslovakia had to suffer, but it was the best thing to do under the circumstances "; 11 per cent. said it was a right decision and 14 per cent. said they did not know what to think about it.

The last two questions, both of which were asked in July 1937 and again in December 1938, are, I think, the most important of all from the point of view of future American policy. In July 1937, those investigated were asked whether war in Europe was probable in their opinion. 46 per cent. said that Europe would probably go to war. That was two and a half years ago. Last December 66 per cent. thought that European war was inevitable. Then they were asked whether if war did break out the United States would be drawn in. In July 1937 22 per cent. of those investigated answered that the United States probably would be drawn into a European war. In December 1938 76 per cent. answered that the United States would probably be drawn in and only 14 per cent. thought she would not. I do not want to exaggerate the significance of these polls, though I think they are singularly accurate in determining what people think at any one moment. But they are, I think, decisive as to the direction in which American public opinion has been moving recently.

From the digest of these polls and from my own impressions, I think I can draw one or two inferences as to the effect of the Munich crisis on American policy. There is no doubt that Great Britain has fallen off its old pedestal. I think, personally, that that is rather a good thing. The pedestal we were on was the memory of the way in which we sprang into the War to defend Belgium in 1914 and the tradition of our position as the sole truly world power. As I shall explain later, our position is very different, in a re-armed world with quick communications and air power, from what it used to be, but being on a pedestal is a lonely and extremely expensive position, and just as bad for the nations which shelter behind the pedestal as for the nation which stands upon it. In the long run, it will help Anglo-American understanding that some

of the laurels which encircled our brow in the eyes of the United States are no longer there.

The second effect of the Munich crisis on American public opinion, and by far the most important effect, is that in their bones the American people now realise that, at any rate as long as the world stays anything like it is at present, the Neutrality Act will not achieve its primary purpose of keeping the United States out of war. That is conclusively proved by the *Fortune* poll and is confirmed by my own observations. The average man or woman in the United States feels that if there is a general war arising out of the aggression of the totalitarian Powers, the United States will inevitably be drawn in, partly through its sympathies and partly because of its own vital interests. In the minds of a good many Americans, the more influential and thinking, another question is insistently rising : What would happen to the United States if the British Empire disappears or the British Navy ceases to function like it used to do ? If the British Navy ceased to patrol the seas, what would take its place ? You cannot have a vacuum on the high seas. At this moment the answer would be the Fascist Powers, except in so far as the United States itself took over the task. Further, what would be the strategical consequences to the United States and to the Monroe doctrine if Spain and her islands and colonies were controlled by Italy or Germany or both together ? Again, a very distinguished American said to me that if a poll had been taken two years ago as to the attitude of the United States if Japan were to invade Australia or New Zealand, a large majority would probably have held the view that it would be too bad, but that it was not the business of the United States. To-day, he said, the answer would almost certainly be that the United States could not afford, either from the point of view of its democratic sympathies or of its vital interests in the Pacific, to allow Australia or New Zealand to fall under the control of Japan.

A third consequence of the events of the last few years is that public opinion in the United States has become violently anti-dictator, and especially anti-Nazi. There are in effect no neutrals in America, privately everyone is violently anti-Hitler, partly because dictatorship is the challenge to democracy and partly because of the brutal and sadistic character of the Nazi repression. The United States feels that it represents in a more complete form than any other country the democratic ideal, and that there is an irreconcilable conflict between American ideals and the idealism which underlies Fascism, National Socialism, and, if it once more became formidable, Communism.

The immediate practical consequence of Munich in the United States was a large rearmament programme. There was practically no opposition to this at all. It was a programme the primary purpose of which was to increase the security of North America from the Panama Canal to the North Pole, and secondly to increase the power of the United States to defend the Monroe doctrine. But another current of opinion was showing itself very strongly when I left the United States a month ago. The practical American mind was asking itself this question : If neutrality will not suffice to keep us out of war, is there anything we can do to prevent the war happening, because if so, that would be the best security for ourselves as well as for other people? There is, I think, an overwhelming sentiment to-day for the view that it is in American interests, as well as in the interests of democracy, to assist France and Great Britain to buy in the United States all the armaments they need in order to strengthen their own defences, because the stronger France and England are, the less likely is war in itself, and, if war comes, the smaller will be the contribution which it will be necessary for the United States itself to make if it wants the democracies to win. There is now a proposal before the Congress to amend the Neutrality Act. The Administration would like to see Clause I of that Act, which compels the President to prohibit the export of implements of war immediately there is a declaration of war, eliminated altogether, so that the United States will be free to export implements of war like everything else to belligerents in time of war, on the " cash and carry " basis I have already described. Whether that amendment will be passed is uncertain. It will largely depend upon the movement of events.

Finally, there is the factor of the President himself. There is no doubt whatever where his own sympathies lie. There is no doubt about his opinion that it is morally impossible for the United States to ignore the issue which is arising, and that it must make up its mind what it can do to avert a catastrophe. In addition to that he is, I think, a good diplomatic poker player. He has an acute perception of the value of warnings of a public kind to Germany and Italy that what happened in 1917 may happen again if they go too far, and of disabusing the minds of the dictators of the belief that isolationism is so strong in the United States, resentment about war debts so intense and the power of foreign born elements so powerful, that they can assume that in the event of war the United States will stand out whatever happens in Europe. His most famous statement was that in

which he was reported as saying that the frontiers of the United States were now the Rhine. What I believe he did say was that the frontiers of democracy were the frontiers of France. Again you get an utterance like that of Mr. Hoover, who is supposed to be strongly isolationist, and strongly pacifist, who, in making a general plea the other day in Chicago in favour of non-entanglement, said that if the dictatorships began bombing London or Paris, the anger of the people of the United States would be so strong that they could not be restrained from action.

But there is a good deal to be said on the other side. The United States is a sovereign State like the rest of us, and it is the essence of sovereignty that you put your own national interests first. It is certain that in a country which except for the short experience of 1917 has avoided European war for more than a century, which has been educated to believe that its function is to preserve democracy on the American continent and not to interfere in the continual feuds and wars of Europe, a country which regards Washington's warning against entanglements in Europe as the first article of its foreign policy, which has no faith that by intervention it can make the world safe for peace or democracy or anything else, the feeling of isolationism is in many ways as strong as ever. I should say that seven out of ten Americans would agree to these three contradictory provisions. The first proposition is that the United States to-day is still fundamentally isolationist, that it is quite confident that if the rest of the world is drawn into a war in either Asia or Europe, its business is to keep out if possible, because no good can come of wars. But these seven out of ten Americans would also say that if world war did come, there is no possible means by which the United States could keep out of it, and that if she had to go into war, she would certainly go in on the side of the democracies. While, therefore, there is vehement pro-democratic and anti-dictator feeling, it would be a profound mistake to underrate the traditional neutralism and isolationism of the United States; and if you were an American citizen, you would feel neutral too. You have only to consider British history right up to recent days to realise how strong is the sentiment in every democratic sovereign state against getting entangled in other nations' wars or against being drawn into war at all if it can possibly be avoided. There is, in particular, a peculiarly deep suspicion in the United States of any kind of commitment or association with any other nation which might lead it into war. The strongest feeling in the United States is the determination to keep the issue of peace

or war in the unfettered hands of the people of the United States themselves.

I turn now to the future. Here, of course, I enter the realm of prophecy, and therefore I recommend you to take what I say with a grain of salt, because everybody's views about the future are coloured by their hopes or by their fears. I am not as pessimistic about the future as many people I find in this country. There are two classes of extreme defeatists in this country who represent opposite schools of thought, one is the Stock Exchange and the other is those who accept the Marxist materialist interpretation of history. I agree that the kind of order which was represented by the League of Nations has almost entirely disappeared, though not, as I shall explain, for the reason usually given. But that to my mind is not fatal, partly because the post-War democratic thesis was in essence unworkable and partly because we are now falling back, in a new form, upon the old British peace system which worked so well for a hundred years before 1914. In the last century you had a peace system which was the outgrowth of British experience during the Napoleonic and other previous wars which prevented world war for a century. It was based on the simple truth that if the British people made their islands an invulnerable base by maintaining an invincible fleet with naval bases all over the world which would enable it either to sink or to drive into port any hostile fleet anywhere there would be no serious risk of world war. This was because world war in the last century really meant any war in which Great Britain was fully engaged and that could not occur unless somebody had a Navy which was strong enough to challenge the British Navy and so force Great Britain into war. Behind that *Pax Britannica* took place the greatest expansion of freedom ever known in history. Because Great Britain as an island was absolutely secure from attack you had the development of democracy beginning in 1832 in this country, a development which continued steadily until we reached our present system of universal suffrage. Behind the peace created by the British Navy, the United States was left to develop its own country and its own institutions free from any serious international wars or burdens. Similarly the Dominions were able to attract population, to obtain self-government, and finally to become what they are, in effect independent nations except for a common loyalty to a single non-political Crown. More recently we have seen the beginnings of self-government in India, Ceylon and Burma, and other parts of the Empire, and the independence of Egypt and Iraq. There has never been so great an expansion either of

freedom or of wealth in a single century in human history. While individual expansion immensely increased the wealth of the world in the last century, in recent years democracy has begun successfully to attack the abuses of *laissez faire* capitalism. But the *Pax Britannica* depended on three things : it depended on an invulnerable Britain, an invincible British Navy with naval bases everywhere, and a Britain which was Liberal, and therefore used its power in such a way that it did not challenge the vital interests of other Powers, because it practised free trade and protected individual freedom, and because on the whole throughout the world there was freedom of migration. That is why the system worked, and while a certain number of European Powers grumbled, there was no serious combination of Powers to try to upset it until you got the building of the German fleet in 1904, the consequent drawing of Britain into the European balance of power, and the precipitation of war in Europe about the fate of the Austro-Hungarian Empire in 1914.

The *Pax Britannica* was, I will not say abandoned, but replaced by another system in 1920, and I think we must ask ourselves whether that system really was as good as a great many people who were influenced by the noble idealism which surrounded the League of Nations, are inclined to think. It was based first of all on the universal self-determination of all nations. There was to be no limit to the multiplication of sovereignties. I think we are beginning now to realise how dangerous a principle that was. The number of Europe's sovereignties was increased from seventeen to twenty-six, and we lightheartedly agreed that the ideal future for the British Empire was that it should develop into twenty or thirty Dominions, each of them with its own foreign policy, its own army, its own tariffs, and with no other unity but allegiance to a common Crown. Far more serious was acquiescence in unlimited economic nationalism for every sovereign nation. It meant unemployment everywhere, financial crises and over-population in many lands. You can see some of the consequences when you remember that before the War Italy was sending to North and South America over a million people a year. After the War that suddenly stopped. Similarly Japan never ceased to complain that her problem of finding a living for seventy million people on a few small not very rich islands was immensely increased by the decision of the rest of the world to increase tariff barriers so that Japanese goods should not enter their markets.

Then the *status quo*, which under the League of Nations Covenant was only to be changed by consent, was the Versailles

status quo. And what was far more serious than the Versailles Treaty itself, in my opinion, were the consequences of the failure of the United States to ratify the joint Anglo-American treaty of guarantee to France, the guarantee of security upon the basis of which France, with its population of 40 millions, alone agreed that Germany, with its population of 65 millions, should be allowed to take its place as an equal amongst the nations of the world. Shortly after that Treaty lapsed, partly because the United States rejected the League, and partly because we did not implement the guarantee by ourselves, M. Briand was replaced by M. Poincaré, and France returned to her original policy of trying to keep Germany permanently down—a policy which ultimately produced Hitler. Finally the victorious democracies, without whose combined efforts the War could not have been won, immediately proceeded to split and to preach disarmament as the road to peace in a world of sovereign States bitterly disatisfied with the *status quo*. They relied upon the League of Nations to keep the peace, though the League had in practice no power to alter the *status quo* because, being composed of sovereign States, the *status quo* could only be altered with the consent of all, which meant that force or war was the only instrument either for changing the *status quo*, as Hitler has found, or preventing it from being changed, as we are finding. I think we have got to ask ourselves whether the kind of picture of the new world that we drew in 1920 was really as good a picture as many of us thought. We shall not get back, I think, either national unity or a sane foreign policy until we ask ourselves some very awkward questions not only about the policy of other nations, but about our own policy and that of the dominant Powers of the world in the last eighteen years. The real root of the whole trouble has been the belief that it was possible to build a peace system upon national sovereignty.

It has been re-armament which has finally burst the whole system. I do not know how many of you have read Admiral Mahan's books. They are probably the greatest treatises on sea-power which have ever been written. But what he says from start to finish, and what every intelligent person has now got to face, is that as between sovereign States it is power which in the last resort alone counts. It is not good intentions. It is not fine-sounding resolutions. It is not high moral principles. It is power. This painful fact is the inevitable consequence of national sovereignty, because sovereignty implies anarchy, and in anarchy what matters, first, is power and secondly whether you use your power like a gentleman or like a gangster.

That was proved very clearly in what I think was the most creative period of modern history, the history of the thirteen revolted American States from 1781 to 1789. And if you read the pages of *The Federalist* or the records of the Philadelphia Convention, you find that what underlay that controversy was this simple fact, that Washington and the other leaders of America at that time recognised in his famous phrase that influence was not government, and that the practical choice before the American States was either federation or the life of the jungle. There was no middle alternative. You had either thirteen sovereignties living in a jungle or you created a federal government to unite them. But we did not learn the lessons of that experience. In 1920 there was no possibility of either world or European federation. But we ignored the second lesson, which is that if you cannot federate you will, whatever contracts you may enter into, find yourselves living under the conditions of the jungle, in which what matters is power. That is the truth. Until you are ready to federate and make a common government which can act upon moral principles and formulate laws binding on all, it is power politics that will count, which means that if you want the world to be ruled in a relatively gentlemanly manner, you must have power behind you. Yet the democracies for the last eighteen years refused to learn that lesson. They broke up their unity and they believed in disarmament. But the dissatisfied nations did not ignore that lesson. You have only got to read their writings. They said: The democracies may believe in disarmament, but we do not. We will rapidly equip ourselves with the power with which we can force alterations in the *status quo* in our own favour. Their successful practice of that system has been the fundamental history of the last eight years.

There is no doubt that the policy of recent democratic governments has been feeble and that they have been divided. But unless they had re-armed when the others re-armed, and been united as well, I doubt if they could have altered fundamentally the general trend of events. Consider the basic facts. On the one side the anti-Comintern pact powers include two hundred million people highly equipped for war, although one of them is still very heavily engaged in China. On the other side Great Britain and France, even if you include all the self-governing Dominions, include only a hundred million self-governing people who are not fully equipped for war, though they possess far greater economic and financial resources. On the side lines stand two other great Powers, Russia and the United States, but their present

attitude is not yet defined. Moreover, in an armed world collective security, in the old sense of the word, becomes a myth, for the reason that when great armed Powers are in the field all the small Powers try to go back to neutrality. They cannot afford, unless actually behind the front line of one side or the other, to engage themselves to go to war with countries immeasurably greater and more powerful than themselves. You may remember —as I have good cause to remember—the experience of the last War, and how the small Powers who entered it were immediately overwhelmed and their resources seized by Imperial Germany, namely Belgium, Serbia, Roumania, and Greece. In an armed world it is the military alliances that count. That is why the small Powers of Europe to-day have gone back to the principle of maintaining their neutrality if they possibly can, and of declaring that they can no longer live up to their obligations under Articles 10 and 16 of the Covenant.

Now what is likely to be the policy of the United States in this world as we find it since Munich? You may take it, I think, for certain that the United States will not join the League of Nations, though she may be deeply interested in projects for creating a reign of law in the world. You may take it as certain that she will continue to be democratic in her sympathies. You may take it as certain that her policy will be normally governed, as ours is, by her own vital national interests. I am inclined to think that she will be driven to the policy which we used to adopt, what might be called the "hard-boiled" policy. Our national policy during our period of splendid isolation was based on the conviction that if we could get or help other nations to fight for their security, they would be fighting for our security, and if you read the description of British foreign policy in the famous memorandum of Sir Eyre Crowe you will find that the secret of our success was that we supported the freedom of other nations, and that in supporting the freedom of other nations and in assisting them to fight for their own freedom, we were really securing our own. I think that is going to be the policy of the United States. She has inherited in this century our old position. She has the invulnerable base. She has sea-power. She is going to encourage, and if necessary assist, England and France and other nations to fight for their own security, because as long as England and France and other nations fight successfully for their security, the United States will be secure, and any wars which occur will be fought three thousand miles away from the frontiers of the United States. It is the cheapest and surest

system of security for the United States, and to allow France and England to be destroyed would immensely increase the risk and cost to the United States itself.

There are a great many people in the United States, although not general public opinion, who already say that the basic policy of the United States must be to underwrite in this century a democratic control of the seas to replace the control we alone managed to exercise in the nineteenth century, and which it is increasingly difficult for us to continue in this century. Our position has changed in two vital respects. We are no longer invulnerable, because we are liable to attack from the air, and to-day we may have to encounter three naval opponents in different parts of the world at any one time, whereas never before have we had to meet more than one, and at the most two Navies at the same time, and it is very difficult for a two-handed man to fight a three-handed man. That is the difficulty which confronts us as long as the anti-Comintern pact is an effective unity. I think, as I say, that thinking people in the United States are rapidly coming to realise this changed situation, and that she will, in defence of her own vital interests, be driven to stand for the control of the seas by the democracies as the best basis both for peace and her own security. But she will not for this purpose enter into any form of alliance with Great Britain, any more than we in our period of splendid isolation became willing to make alliances with any of the nations of Europe until one of them became so powerful that we had to enter the lists on one side or the other in order to maintain the balance.

That situation has not yet arisen as far as the United States is concerned, and I think she will proceed as she has always done, by reason of her geographical position, on the same principle as the Monroe doctrine, that is by a unilateral declaration of the policy of the United States without any commitments to anybody else. The Monroe Doctrine does not entangle her with the policy of any other nation. Yet it gives security to North and South America. It is a unilateral declaration by the United States that any interference on the North or South American continent will be regarded as an unfriendly act by the United States. What the President is reported to have said the other day about the frontiers of democracy being the frontiers of France might become, in effect, an extension of the Monroe doctrine. It would not in any way commit the United States to the policy of either France or of Great Britain. It would be a declaration to the world that the United States could not be indifferent if the frontiers of democracy, which are the frontiers of France, were invaded

by the totalitarian Powers in an effort to destroy the independence of France. Yet this action, if any, which the United States would take, would be entirely a matter for her own discretion.

Finally, there is the unpredictable element of American idealism. Just as in 1917, after having re-elected Wilson on the slogan, " He kept us out of war," the United States came whole-heartedly into the war to make the world safe for democracy, so to-day, if they once became convinced that the future of human rights, decency and liberty were at stake and that other democracies were fighting in the last ditch to defend them, the American people might intervene with a speed, a vehemence and a determination which would astonish the world.

One final word about Anglo-American relations. They are difficult because on the one side the spectre of the revolution is always in the background of American thinking, and because perhaps 50 per cent. of the people of the United States are not of British or Anglo-Saxon origin, and therefore resent any talk about the blood relationship between England and the United States, and because, on the other side, the ideals of individual freedom in *Magna Charta* and the Bill of Rights are derived from England just as our practice of democracy is largely derived from the United States. The emotional problem is largely represented by two well-known phrases. One is the title of Quincy Howe's book, "England Expects Every American to do His Duty ". That is just about the attitude of every Englishman. Yet the Americans know quite well that when we urge the United States to do the world's work, she will, if she accepts our advice, be picking our British chestnuts for us out of the international fire. Every proposal for common action between the United States and Great Britain obviously operates to the advantage of Great Britain, and does not operate so obviously to the advantage of the United States. Therefore every American is instinctively on guard against any proposal for cooperation from Great Britain just as we have always been on guard against any proposal for cooperation with France until, through fear of the rearmament of Germany, we have been driven into an alliance with her. The other phrase, which represents very well the ordinary British reaction, is the comment of the *Montreal Gazette* in Canada on the Munich crisis, that America will fight for democracy to the blood of the last Englishman. Now, when two nations feel like that, though their ideals may be very much the same, and there is a great feeling of underlying friendship for one another, diplomatic relations are often very difficult. The moral I draw from that is that the less we talk about Anglo-American

cooperation and the more we talk over international problems frankly, the better. Then we may begin to understand one another's point of view without suspicion. Our business is to pursue our own policy fearlessly and valiantly, and then leave the United States to follow its policy according to its lights and its own interests. Above all, do not let us abandon, nor is there any chance of our abandoning, the general principles which lie behind the British Commonwealth and which have begun to apply inside it. It is gradually penetrating into the American mind that the British Empire is no longer an Empire, but a system for extending freedom throughout the length and breadth of the British Commonwealth. It is not very perfect, but it is improving, and is still better than most of the alternatives. On the other hand, we must learn to understand far better than we do Mr. Hull's policy of freeing the channels of trade as the greatest single contribution that can be made to removing the causes of war to-day.

On the whole, therefore, I am a cautious optimist about the future, though there may be future changes and shocks before we get back to the bedrock of that democratic cooperation for which the new world system must be built. I had hoped to have time to say a word about this and about *Union Now*, but there is no time, though I may have an opportunity at the end of the evening in my reply.

Summary of Discussion

COMMANDER ROSS said that, having just returned from five months spent in North America, he found himself in almost complete agreement with Lord Lothian. After staying for a whole month in a Middle West town, he believed the notion of the Middle West as purely isolationist to be a myth. People there might not be very well instructed about international affairs, but they were interested and anxious to learn, and their newspapers were ready to print articles, even those written by obscure persons like himself, as to why the League failed, and on similar topics.

On three occasions the United States had gone to war with great European naval Powers. The first time, in 1798, to defend the "freedom of the seas" against what the Washington Government regarded as illegitimate behaviour by the French navy on the high seas. Then in 1812 they declared war against Great Britain, because of her illegal high-handedness, sometimes amounting to brutal and murderous behaviour by ships of the Royal Navy.

For that war of 1812, however, there had been *two* American incentives, and not only one, as suggested by the lecturer: one had been those actions of the British Navy which had incensed justly a large part of the American people and their government, and the other

had been a very strong and unjustifiable desire on the part of the "War Hawk" section of Americans to conquer Canada, an ambition also strong in the counsels at Washington. The third war was declared in 1917 because the German navy was not only behaving illegally, but also committing brutal murder on the high seas in a fashion directly contrary to signed international agreements.

In our own pre-War days, in the year 1911, President Taft, under the influence of his predecessor in office, Theodore Roosevelt, obtained the passing of an Act of Congress empowering the President to enter into conference with the great naval Powers of the world to consider how the growing strengths of their navies (a threatening symptom of mortal disease, as to-day) might be combined to provide a joint international instrument for the preservation of world peace: but by then Europe was already over the edge of the Gadarene slope leading to the Great War, and so the proposition was only laughed at.

All this indicates, however, that a tendency towards the idea of positive methods of preserving international law and order is historically strong in the United States.

A MEMBER said that he would mention those points where he disagreed with the lecturer. Although there must be generalisation when dealing with such a huge subject, it was a mistake to say that after the Great War the choice lay between federation and anarchy. The British Commonwealth of Nations was certainly not federal but, although it might be anarchical on paper to the extent that the Dominions had become sovereign States, yet in practice this was not so, because it would be unthinkable for the Dominions to make war upon one another, although their sovereignty since the Statute of Westminster had increased rather than decreased.

Secondly, he did not agree that the less Anglo-American cooperation was mentioned the better. Naturally it would be unwise for English people to write articles which would strengthen the hands of the isolationists in America by making them feel that the English expected them to pull the British chestnuts out of the European fire. He had discussed this subject with an American in London who was singularly well able to judge of public opinion both in England and in America. He would agree that care must be used when discussing Anglo-American relations, but he had strongly disagreed with the notion that they should not be discussed at all, because this gave a weapon to the isolationists, who said that Great Britain did not care for American cooperation and was not interested in it.

Finally, the lecturer had expressed the view that it would be desirable for Great Britain to get back to a modernised form of the nineteenth-century system. He remembered being a naval officer in China and sitting at the feet of an extremely wise old Chinese professor who had had a great admiration for the nineteenth-century system, apparently, but he had finished up by asking to what this system had led, to what had it been the prelude, and of course the answer was, to

the Great War of 1914–1918. It would seem that a revised nineteenth-century system might give a certain number of years of peace founded upon power, but it seemed unwise to suppose that the opposition would accept such a situation for an indefinite period. To-day things moved more quickly than in the nineteenth century; perhaps if one thought that peace could be maintained for a century, one might think it worth while to let one's grandchildren look after themselves, but to-day one could not help having an uncomfortable suspicion that one might be just in time for the deluge oneself.

MR. BOSANQUET said that he would like to know more as to the possibility of change in the future foreign policy of the United States. Was it not true that, as the result of the unpopularity of much of President Roosevelt's economic policy, there was the possibility of change in the Administration of the United States in the next two years, bringing with it the possibility that the new Administration would have a more definitely isolationist policy? Might not those people who now opposed President Roosevelt on the grounds of his economic policy also oppose his foreign policy on the grounds that it would lead the United States into a series of dangerous entanglements?

What did the lecturer think the democracies, and in particular Great Britain, should now do in order to make their contribution to the situation? Did the lecturer think that American support would only be conditional upon vital American interests being involved? Was it not necessary for the democracies to gain American sympathy by showing that they had a positive policy? It was true that sympathy might be aroused by the excesses of the dictatorships, but the lecturer had hinted that it would be necessary for the democracies to do something positive. Had he perhaps the colonial question in mind? Had he envisaged a redistribution of territories, raw materials and markets?

VICE-ADMIRAL S. R. DRURY-LOWE said that the lecturer had mentioned the anti-Comintern pact as comprising two hundred million and the European democratic States as possessing a hundred million. Russia lay partly in Europe, and could not be counted in the anti-Comintern group. It seemed more probable that she would come into any conflict on the side of the democracies, although she herself was not in fact a democracy. What was American feeling concerning the subject of Russia?

LORD LOTHIAN, in answer to the second speaker, said that he thought that he had said that no federation in Europe would have been possible in the year 1918. What he had pointed out was that the Federalists had realised that there were only two alternatives before America in 1787, either federation on the one hand, or the reproduction on the North American continent of the European jungle on the other. If, therefore, federation could not be established, as admittedly it could not in 1918, then it ought to have been realised that the alternative was that the nations, League or no League, were going to live in

a jungle, and that in a jungle what counted was power. The democracies should have maintained both their unity and their superiority in armaments. They had, in fact, done neither, with fatal results. That was the important lesson of the last eighteen years. He was not confident that the present structure of the British Commonwealth, based on the Statute of Westminster, would prove to be capable either of preventing war inside the Commonwealth, or, still more, of bringing unity into the foreign policy of the Commonwealth. When the system of Dominion status was applied to all the component parts of the British Empire, it would be found that except where the ties of blood were thickest, the bonds of unity would tend to disappear, and the situation would become the same as that on the continent of America when the Federalists had seen that there were only two alternatives: either federation or anarchy. There were only two ways of establishing unity and peace, and one was through Imperialism from without at the price of destroying liberty. The other was through federation from within, which preserved all three.

The same speaker had objected to the restoration of the method of the naval *Pax* which had preserved us from world war during the nineteenth century. If it were possible at this moment to realise the ideal which underlay the League of Nations, it would be excellent. But as the world to-day lay on the brink of the worst world war that had ever been fought, it would surely be a relief to be able to restore for the next five or ten or fifty years the stability enjoyed during the nineteenth century. The control of the seas by the democratic forces might be of enormous importance in preventing the great disaster to Western civilisation which would follow another world war. Of course, he realised that this was not enough. The address given from the same platform a few weeks ago by Mr. Lionel Curtis had gone to the root of the problem.[1] The basic strength of Mr. Streit's remarkable book, *Union Now*, was that it proved that national sovereignty was incompatible with either peace or individual freedom. So long as States insisted on their own sovereignty two results were inevitable. The first was that the only method by which any State or group of States could operate in international affairs, when agreement failed, was by power politics or war. The second was that because sovereignty meant that the interests of the State came first, the need for providing for State security in an anarchy of sovereignties inexorably turned even free countries increasingly into slave States, with every individual more and more absorbed into a vast war machine designed for defence. It was for this exposition of the fundamentals rather than for the details of his plan that Mr. Streit's book was so valuable. He had put a bit of leaven into human thinking which would surely bear immense fruit in the future.

He had been asked, what would be the American attitude towards a general redistribution of economic resources? A considerable proportion of Americans had been impressed by Hitler's last speech.

[1] Published on p. 301 of this issue.

This did not mean that they had any sympathy for or interest in National Socialism, but that they felt that Hitler had a case for asking for a greater share of the good things of the earth for Germany, provided he did not use them for re-armament or power politics or war. Many felt that there must be some economic adjustment which would give to all nations a reasonable access to the raw materials necessary for raising their standard of living. This, of course, was the very core of Mr. Hull's policy. He was an old-fashioned free-trade Liberal, and while bitterly opposed to totalitarian economic methods, like the modern barter arrangements, which he considered enslaved both of the countries who made them, he felt that the only solution for the economic pressures which were driving countries to unemployment, and ultimately to revolution, was to open the channels of trade and to go back at any rate to relative free trade and relative freedom of migration all over the world. All nations should have access to the resources of the world provided that there was an international system capable of preserving liberty and peace.

MR. GRAEME HALDANE said that the American defence plan was of great importance in American foreign policy. He was not thinking merely of additions to the Army, Navy and Air Force, but of her economic defence, now regarded as the primary factor in that plan. The United States had taken very considerable steps to organise her industry and her economic structure so that she might act as the warehouse and arsenal of the democracies in the event of a war. The Administration had really got two reasons for developing their defence measures. Firstly, they believed that democracy was threatened all over the world, and the President had repeatedly said that the United States was going to stand against that aggression, at any rate so far as the interests of the American democracies were concerned. On the other hand, the present Administration believed in a certain amount of national planning, and through the planning of defence it might be possible to put such measures through in a way which would not otherwise have been politically possible. This was quite an important factor in the attitude of the Administration to foreign policy.

THE VISCOUNT ASTOR (in the chair) thanked the lecturer for his extraordinarily accurate and clear-sighted analysis of opinion in the United States at the present moment. He (Lord Astor) had not been there for a year, but already twelve months ago he had seen operating the seeds of the present situation. He agreed that America was beginning to see that never again would there be a world under the *Pax Britannica*, and that she would have to play a part in world affairs for her own interests. Also, in the United States, as well as the matter of national interest, conscience played a large part, and the American conscience was stirring. America might play a great part in ensuring world peace by timely preventive action.

SOME RECOLLECTIONS OF CZECHO-SLOVAKIA [1]

GENERAL FAUCHER

I HAVE given few lectures during the course of my life, and I confess that I do not enjoy them. When, however, I was asked to come to talk to you about Czecho-Slovakia, I accepted without hesitation. I felt that I could not refuse to add my tribute, slight though it be, to others contributed by friends to a people which has suffered so cruel and unjust a fate. I am also one of those who wish to establish less vacillating standards of moral values in international politics.

I will begin by giving you some idea of my qualifications for talking about Czecho-Slovakia. It will make it easier for you to appreciate the reasons for any mistakes which I may make. I lived in Czecho-Slovakia for nearly twenty years. This is not, of course, a reason why I should know it perfectly. My position was that of a professional soldier sent on a technical mission to which I had to devote the larger part of my time. It is true that in order to do one's work satisfactorily, it is useful, if not essential, to know and understand the people and their surroundings. This is particularly true for a soldier, since preparation for war brings one in close contact with all branches of human activity. For this reason I studied not only the ordinary activities of the country, but its past, its politics, economics, its literary and artistic life. I found this especially necessary since I had very little knowledge of Central European affairs, or of those of Czecho-Slovakia in particular, before my arrival there at the beginning of 1919.

My chief sources of information have been written documents: books in Czech, in Slovak, in German and French; newspapers and periodicals published in these languages; the publications of the Czecho-Slovak Statistical Office; and records of parliamentary debates. I have been able to make little use of publications in English, and have come across them chiefly through extracts

[1] Address given at Chatham House on February 23rd, 1939; Major-General Sir Neill Malcolm, K.C.B., D.S.O., in the Chair.

It should be noted that General Faucher spoke before the annexation of Czecho-Slovakia by Germany in March 1939.

translated into other languages. During the course of the last few years I have followed, either on my own or with the help of assistants, some twenty-five newspapers and periodicals published in Czecho-Slovakia, in Czech, in Slovak, or in German. Since I do not know Hungarian I have not personally been able to follow publications in that language. I had numerous contacts with civilians, both politicians and men from many different circles. My acquaintances were mostly Czechs. I knew fewer Slovaks, yet fewer Germans, and scarcely any members of the Hungarian minority.

I have never engaged in systematic inquiries such as you would expect from a journalist, or from a scientist of international repute travelling in Czecho-Slovakia. I have even avoided taking the initiative in conversations of a political nature. I could not forget that the terms of my service in Czecho-Slovakia were exclusively military. I made a number of journeys in the different regions of the Republic, chiefly on duty, but I have also travelled through it as a tourist, choosing for preference the frontier districts as these are the most interesting from the tourist's point of view. I picked up, of course, some interesting points in these trips, but this was only incidental.

Above all, however, as I have said, I had mainly to rely for my information upon written documents as for the most part I lacked the useful additional source of information supplied directly from people representing the various classes of society. I tried to see the truth as it was, without prejudice. I do not pretend to have done so with complete success. I can only say that I did my best.

The affairs of Central Europe, and of Czecho-Slovakia in particular, are by no means simple. Those who discuss them with apparent authority, without having studied not only the present but the past of Czecho-Slovakia, run a serious risk of making ridiculous statements. In France and elsewhere many stupid remarks have been made about Czecho-Slovakia recently. I refer to mistaken opinions lightly proffered by well-meaning people, who do not realise the extent of their ignorance. Lying is another matter. Unfortunately lies about Czecho-Slovakia have not been the monopoly of certain hostile States.

Until the events of September last the Press enjoyed considerable freedom in Czecho-Slovakia; sometimes this freedom was abused. My own impression is that on the whole the Czech press was largely independent of foreign influences, at all events to a far greater extent than in certain other countries. I should

like to emphasise the fact that I noticed few serious misrepresentations of fact either in the inspired press, or in semi-official publications.

A large number of pamphlets have been issued in English, French and German on the problems of Central Europe and of Czecho-Slovakia in particular. Although their aim is to render these problems intelligible to the average reader—a form of propaganda if you like—they do possess a certain scientific value. They were well worth the study of those seeking information; there were, I fear, too few of them.

The theory has been advanced, more particularly in 1938, that the first Czecho-Slovak Republic was an artificial construction : a conglomeration of diverse nationalities, an act in defiance of common sense. Even less flattering terms have been applied : a preposterous creation, an abscess in the heart of Europe. The question arises whether the expressions "Czecho-Slovak nation," "Czecho-Slovak language," have any real meaning, whether they are not sheer inventions seeking to create an illusion of Czecho-Slovak unity which does not in fact exist. Some people go so far as to class the Slovaks among the minorities, together with the Germans, the Magyars, the Poles and the Jews. One is led to assume that the authors of the Peace Treaties acted with an unpardonable irresponsibility which could not fail eventually to provoke a catastrophe.

What is one to think?

The Czechs and the Slovaks, neighbouring peoples of Slav extraction, forming a solid Slav *bloc*, closely related to each other both by race and language, seemed destined to form a single political unit. It is true that they were united only for a short time. The Magyar invasion separated them politically for a thousand years, but a certain community of feeling has always existed. I admit that reservations must be made concerning both the nature and the strength of this feeling; nevertheless it has existed.

The literary language of the Slovaks was Czech until the middle of the last century. To-day the Czech and Slovak languages are so similar that a Czech and a Slovak understand each other without having learnt the other language. No translations have been made from Czech into Slovak, or from Slovak into Czech simply because they would be unnecessary. The first book which I read in Slovak, some fifteen years ago, was a translation of a work of Professor Seton-Watson called *The New Slovakia.*

I read it without much difficulty, although I had never up till then actually learnt Slovak. Incidentally, I am incapable of reading a book in Italian or Spanish although they both, like French, have a Latin origin.

Father Hlinka, who was later to become the leader of the Slovak Autonomist Party, made the following statement when be appeared before the court in Pozsony (Bratislava) in 1908 :—

> "Whether the Magyars like it or not, we share the same culture as the Czechs, we constitute with them a single nation."

Admittedly Hlinka has altered his views, but there are at least grounds for thinking that some basis existed for his declaration in 1908.

The term Czecho-Slovak language is not absurd. It even had a practical application, since both Czech and Slovak had equal status as the official languages of the republic.

In actual practice, Czech was used far more frequently in transactions affecting the State as a whole; it would have been difficult to do otherwise. I am not trying to pretend that the use of the word Czecho-Slovak was entirely without disadvantages both from the external and the internal point of view, but I do not think that it can be called a deliberate attempt at deception. The last and most important point is this. The Czecho-Slovak State was created as the expression of the joint will of the Czechs and Slovaks.

It is interesting to note that this joint willingness is recalled by the opening sentence of the Slovak constitution, formulated by the Slovak Autonomist Party and voted towards the end of last year.

I have enumerated some of the excellent reasons why it seemed advisable to satisfy the aspirations of both Czechs and Slovaks, and to create a State in which they could develop their culture in freedom.

This was not all, however. Not only the Ruthenes of Sub-Carpathian Russia, but genuine minorities such as the Germans, Magyars, Poles and even a few Roumanians were incorporated in the State. Did this not show a serious lack of wisdom on the part of the authors of the Peace Treaties?

The Ruthenes must be considered separately. They cannot be said to constitute a minority, since it was at their own request—at least it was at the request of representative Ruthenians—that they were included in Czecho-Slovakia.

As far as the genuine minorities are concerned, two demand

further consideration, the Germans and the Magyars, numbering in 1938 about 3,250,000, and a little less than 700,000 respectively. We know that it was not without careful consideration, and even some misgivings, that the representatives of the future Czecho-Slovak Republic asked for the incorporation of these minorities within its boundaries. It is probable that if they could have found a way of excluding them without hopelessly compromising the economic and defensive possibilities of the country, they would have hastened to do so.

Something closely approximating to the historical frontiers were adopted in Bohemia and Moravia, not because they were historical, but because they harmonised with the geographical features (nowhere in Europe can be found a geographical unit comparable to Bohemia) and because they fulfilled her economic and defensive needs. Furthermore, it must not be forgotten that in abandoning the natural frontiers many Czechs would have been left over the border. It is well known that in tracing the new frontiers of Czecho-Slovakia, more than a million Czechs and Slovaks have been separated from their homeland.

Similar conditions, though to a considerably lesser degree, hold good for the Hungarian frontier. It must be admitted that it would have been possible to reduce the number of Magyars without great inconvenience. It should also be remembered that there were several reasons for carrying the frontier as far as the Danube. As early as the spring of 1919 it became apparent that the troops of Bela Kun were animated as much by nationalistic as by Communist ideas when they invaded Slovakia. From that moment the advantage from the point of view of national security of having the Danube as the boundary became obvious. I was attached at that time to the forces operating in Eastern Slovakia, and I can vouch for the strategic value to us of the Danube during the campaign.

I know of certain people who after one glance at the map declared that the configuration of the first Czecho-Slovak Republic was impossible and absurd. I often wonder what these critics must think of the second Republic, with its capital, Prague, lit by electricity from a German power station, deprived of rapid communications with Brno and Bratislava, and whose territory will soon be cut in two by the great motor road from Breslau to Vienna which will be German territory. It is possible to criticise the decisions of the authors of the Peace Treaties, but I am inclined to think that the consequences of the Munich agreements offer some justification for these decisions.

Quite apart from any question of abstract justice, it was essential at the time of the creation of the first Czecho-Slovak Republic to consider whether the organism could live; whether it was possible to create a State with sufficient cohesion to be able to resist the attacks of any disruptive forces, either from within or from without, which might threaten it in the future.

The representatives of Czecho-Slovakia at the Peace Conference doubtless believed that the victory of the Allies opened a way to a higher standard of moral values in international affairs, and they calculated that, although there was danger of a relapse, yet its effects would continue to be felt at least for long enough for the new State to be able to remedy the weaknesses and lack of cohesion of which they were perfectly aware.

As far as internal affairs were concerned, the prospects were not too gloomy. In spite of most adverse circumstances the Czechs had reached a level of culture, which could bear comparison with the most highly developed peoples. The Slovaks were less fortunate. They had been subjected to a systematic process of Magyarisation, and had been kept at a lower level of education by the Hungarian Government. It seemed safe to assume that their natural gifts, with Czech assistance, would soon enable them to make up for lost time. Few in 1919 would have foreseen that relations between Czechs and Slovaks would become so strained in the future.

In the economic field, too, prospects seemed to be favourable. The foundations of powerful industrial development were there (three-fourths of the industry of the Austro-Hungarian Empire lay within the new State) and it had an intelligent and hard-working agricultural population, at least in the provinces of Bohemia and Moravia.

Finally it must be remembered that most of the Slav population of the Republic were staunch patriots and that physical culture had always played an important part in their lives. There was excellent material for national defence.

The only serious cause for anxiety seemed to be the incorporation of important German and Magyar minorities. Ethnographically the new State occupied a far more favourable position than that of the Austro-Hungarian Empire. It has been said that the creation of Czecho-Slovakia reproduced the problems of Austria-Hungary. There is a considerable difference. In the Empire the governing class was in a distinct minority, since the German element represented only 36 per cent. of the total population of Austria, whereas in Hungary (including Croatia) the

Magyars numbered approximately 45 per cent. In Czecho-Slovakia the Slav population amounted to nearly 70 per cent.

It was hoped that wise administration would in time soften the resentment of the Germans and Magyars who were stripped of their privileges as the governing class, and that a measure of cooperation would eventually be established to their mutual profit. We know that both Czechs and Slovaks were anxious to foster this cooperation from the very beginning.

In the discussions at their first meeting at Geneva in 1918 the National Council of Czecho-Slovakia abroad and delegates from Prague accepted without question the idea of the inclusion of German representatives in the first Cabinet. It seemed in the early years as though these optimistic forecasts might be realised.

The inauguration, towards the end of 1918 and the beginning of 1919, of the new governing bodies throughout the territory was carried out almost without bloodshed. Order and prosperity were established in a very short time. In fact the State had no serious menace to contend with until the effects on its economic prosperity of the world crisis of 1929 began to be felt. This danger was of short duration. Early Communist agitation was quickly suppressed. The Republic has never known serious social troubles.

The Germans soon abandoned their attitude of uncompromising opposition. From 1926 onwards they were represented in the Government first by two, then by three ministers. This state of affairs continued until after the *Anschluss* with Austria. The administration of the first Czecho-Slovak Republic has been considered a model to be followed by other democratic States. Unfortunately the spectacle of a State in which so many different races lived happily and harmoniously side by side, must have been looked upon as a dangerous and even intolerable precedent by certain Powers.

It is perhaps in the military sphere that Czecho-Slovakia affirmed most clearly her desire for independence. One of the first preoccupations of the Czecho-Slovak Government immediately after the War was the creation of an armed force strong enough for its own defence. She counted on help from her allies, but she made it a point of honour to provide herself the means for her own defence.

In 1920, Parliament voted a law introducing conscription. The length of service with the colours was two years. It was originally intended that this should be reduced progressively to

eighteen and finally to fourteen months. As we shall see later this reduction was never carried out. The plans sketched out in 1919 were largely carried through during the course of 1920. The Czecho-Slovak army consisted of twelve infantry divisions of four regiments each, two mountain brigades, three cavalry brigades, one air force regiment, a general reserve of artillery, etc.

Apart from temporary courses of instruction for perfecting and co-ordinating the training of officers, permanent schools were set up for the training of officers and N.C.O.s. The general standard of education amongst the officers who formed the first cadres in the new army was very high, certainly higher than in most European armies. A number of officers who had previously served in the Czech Legions had received a university education, or had been trained in one of the higher technical schools. With such material, the prospect of having thoroughly trained and reliable commands and staff at the head of the larger formations seemed assured. I think that one can say that these hopes were realised.

The French, it is true, gave direct assistance to the Czecho-Slovak army in the early stages, by taking over some of the higher commands. But the Czecho-Slovak officers have held complete control of the army since 1926—that is to say for twelve years. They have been worthy of it. Perfection was not attained at once. The divisions created in 1920 lacked many things. The armament and equipment which Czecho-Slovakia inherited from the Austro-Hungarian Empire was of poor quality, a fact which told against her during the campaign of 1919 against the Hungarian Bolsheviks. But as I have already pointed out, the industrial possibilities were considerable, both in quantity and in quality. The completion and perfection of their armaments became, therefore, simply a question of funds. Thanks to a wise financial administration, the State was soon able to complete and bring its military material up to date. Expenditure on the army was only reduced for a period after the economic crisis of 1929. This reduction was not without danger. It was increased, at an even greater rate than before, as soon as political tension became greater. With even greater decision than she had used in 1919 when she first created the new army, Czecho-Slovakia passed, one after the other, a series of measures which imposed very heavy sacrifices both on the State and on individuals.

A system of fortifications was adopted at first on a fairly modest, and later on a large scale. Parliament voted laws maintaining the period of service at two years, for the organisation of

the nation in time of war, for the protection of the population against air attacks, for floating a defence loan, for the mobilisation of the population of both sexes for national defence, etc.

I would point out that the Czecho-Slovak Parliament, knowing that it could count on the support of the country, took the initiative in these matters instead of waiting for a lead from the electors. Further, this body of laws, though it imposed heavy financial and personal sacrifices on all, obviously fulfilled the wishes of the majority of the population, since they had expressed in many different ways their desire for a strenuous effort to strengthen the measures of national defence. I interpret this as one of the best proofs of the Czecho-Slovak people's determination to defend the integrity of their country by all the means available, even, if necessary, by force of arms.

While the Government and Parliament were pursuing this positive line of policy, the army was intensifying its activity in training and in armament. Large-scale manœuvres were carried out, bringing into operation on certain occasions as many as eight divisions. Armaments were modernised and increased. War material was accumulated, special attention being devoted to reserves of munitions, and measures of protection against air attack were taken to ensure the manufacture of war material. The number of those admitted to military academies was increased.

The peace-time strength of the Czecho-Slovak army in September 1938 was seven army corps, seventeen infantry divisions, four mobile semi-mechanised divisions comprising cavalry and tank units, six air force regiments, etc. I do not wish to give details of its composition on mobilisation; but it is not necessary to be a specialist in order to know that an army at peace strength can easily be expanded to twice its size on mobilisation, subject to there being enough trained reserves, with sufficient arms and equipment for these reserves, and adequate cadres of officers and N.C.O.s. These conditions were realised in Czecho-Slovakia. I must emphasise the fact that all the classes of reservists called up in September 1938 had done two years' service with the colours, supplemented by courses of training in the reserve. As you know, the conditions of training for the reserve in the German army were far less favourable. The number of large formations mobilised in Czecho-Slovakia was considerably more than double the number on a peace-time footing.

These facts give some idea of the number of large formations comprised in the Czecho-Slovak army when it was mobilised

in September 1938. This army in defending the frontier had the advantage of operating in country which was on the whole difficult to attack, and which was protected by a system of fortifications which although unfinished was not without considerable value. It knew that its strength would be severely tried, perhaps to breaking point. I do not think that I am betraying a secret in saying that its leaders were not irresponsible people. The army was full of self-confidence, it was perfectly aware of its responsibilities, it was convinced of its ability to carry them out, and to come up to all the expectations of its allies. How could a people, or an army, have attempted such strenuous efforts in its own defence without a certain measure of confidence in their success?

I have given you some of my reasons for thinking the State of Czecho-Slovakia as created by the Peace Treaties cannot be described as an artificial State. You may answer that recent events have proved me wrong, since Czecho-Slovakia has so to speak disintegrated from within, a fact which renders all argument useless. Is it true that Czecho-Slovakia disintegrated from within? I cannot agree, since the forces that brought this about came from without rather than from within.

It was obvious that any weakening of States allied or friendly to Czecho-Slovakia would cause difficulties for the Czecho-Slovak Government. This not only from the minorities, or from the Slovaks, but from among the Czechs themselves. The opposition of the minorities, which had decreased for a certain length of time, had later been cleverly worked up, or damped down, according to the turn of events. This opposition was upheld, fostered, and finally one might almost say organised from without.

A certain degree of knowledge of the vast organisation of Pan-Germanism abroad is necessary in order to understand the evolution of the minorities' attitude.

This organisation is not a creation of the present régime—this is a known fact. Dangerous elements already existed long before the War which did not interrupt its development. The *Auslandsinstitut* at Stuttgart was founded during the War. The means at the disposal of the Pan-German movement have risen to such proportions both within the Reich and outside it that it has become difficult to follow, even, it seems, for initiates, since its numerous bureaux, institutes and various groups have multiplied to such an extent. Its doctrine has taken a more definite form.

Let me give an example. A German minority demands complete cultural autonomy. This may seem to a foreign observer who prides himself on his impartiality a perfectly justifiable and harmless move. But as important a person as the Secretary-General of the famous Stuttgart Institute tells us this: "Cultural autonomy is always an important aim since it is one of the most effective means of killing loyalty to the State." With such precepts before our eyes, can we continue to believe in the sincerity of a minority which, while asking for cultural autonomy, protests its loyalty to the State?

This doctrine goes on to recommend cooperation with minorities of other nationalities. Under these conditions, one would expect the Germans to negotiate with the Slovaks, who, although not a genuine minority, needed to acquire this status in order to suit the Germans' purpose. How could the Henlein party fail to take an interest in minorities, real or pretended, living at some distance from the Sudeten districts! It is curious to note, for instance, that the principal organ of the Henlein party, *Die Zeit*, has on more than one occasion devoted its leading article to the question of Breton autonomy.

Among the numerous organs of Pan-Germanism abroad, there is a legal bureau which assists German minorities in formulating their claims: programmes are drawn up to order. There is little doubt that it had something to do with the claims comprised in the eight points put forward by Herr Henlein at Karlsbad, and with the other plans submitted by his party.

As you know, propaganda against Czecho-Slovakia did not confine itself to her territories, nor to those of the Reich. However, let us restrict our investigations to Czecho-Slovakia. From the usual methods of propaganda: the use of the Press, of books, broadcasting, and finally rumours spread by word of mouth (*Flüsterpropaganda*), they passed to direct action, to the use of terrorism when it was felt that the situation was ripe for the seizure of the thing they coveted. This terrorism was not a spontaneous growth. Its organisation was known, so was the source of the arms, munitions, and explosives used. The training centres abroad to which those who were to use this material were sent, were a secret neither in Prague nor elsewhere.

Is it true that the majority of the German population in the Sudeten districts in their heart of hearts really longed for separation? For a Sudeten German to offer open and unqualified opposition to the Separatist Movement would have required real heroism. The Sudeten district has its heroes, but it is not sur-

prising that their number should be small. This population had been worked on continuously for so many months that it had become incapable of thinking clearly and expressing its will after calm reflection. I remember reading somewhere that at a time when the population of Great Britain was seriously disturbed, it was proposed to Disraeli to dissolve Parliament and to hold elections. Disraeli answered, "One does not consult a people when it is insane."

To declare as some have done that Czechs and Germans who for centuries have lived side by side are no longer capable of doing so, not only now, but forever, seems to me, to put it mildly, a very bold statement to make. I would go further. To use the state of affairs in Sudetenland in September as a justification for its incorporation in the Reich is equivalent to saying in military language, "Herr Hitler, we consider that your preparations for attack have already furnished excellent results; the attack itself is unnecessary, we will make you a present of your objective." I will only add one remark calculated to clear up any misapprehension concerning the real nature of the Sudeten German problem. Had there been no Germans at all within the frontiers of Czecho-Slovakia, a dispute with Germany would still have arisen.

The Slovak question is a different matter. The attitude of the Slovak Autonomist Party could not fail to produce an extremely bad impression in foreign circles which were not thoroughly conversant with the situation. Towards the middle of last year, a French deputy, who happened to be passing through Prague, told me that as he was anxious to understand the Slovak question, he had travelled to Geneva to apply for information to Jehlička, the President of the National Slovak Council. An excellent example of a well-meaning Frenchman who did not know, even as late as 1938, that Jehlička and his so-called National Slovak Council had never had the support of a single genuine Slovak, that even the Autonomist Party itself repudiated him, in fact that it had never been anything but an organ of foreign propaganda. Jehlička died a few weeks ago; by way of obituary the chief Hlinka newspaper *Slovak* published a series of articles which presented him in a most unfavourable light.

The question of the relations between Czechs and Slovaks is a complex one. The path which they have followed is the result of very diverse causes and influences. A prolonged political separation, considerable difference in cultural level in 1918, feelings of mutual sympathy with little knowledge or thought

behind them, selfish ambition and vanity, particularly among the Slovaks, and a lack of psychological insight among the Czechs. The pressure in Slovakia of foreign influences, hostile to the Czechs, cannot be ignored. The Czechs have rendered Slovakia invaluable services. They have made mistakes, it is true; they tended to forget that the rendering of a service is less often a reason for gratitude than the way in which the service is carried out.

I think that the impartial observer will be more likely to do them justice if he remembers the scantiness of the resources which the Czechs had at their disposal when they undertook the organisation of the State, and the adverse circumstances, not always originating in Slovakia, with which they had to contend. One thing at least still holds true, namely the declaration, recently reaffirmed by the Slovaks in their constitution, that Czecho-Slovakia was born of the joint will and desires of Czechs and of Slovaks.

In conclusion I will say this. I do not believe that the events of September offer conclusive proof that the first Czecho-Slovak Republic was an artificial structure; they merely uphold the axiom that a small State deserted by its allies cannot fail to succumb.

People have reproached Czecho-Slovak Governments, especially in the last few months, with having contributed to the dismemberment of their State by their slowness in reaching a decision. Perhaps this is to a certain extent true. I wonder whether other democratic States have shown any real aptitude for adapting themselves quickly to new circumstances?

We realised some time ago in Czecho-Slovakia that peace was no longer in our midst. Are there not many in the West who do not yet seem to have realised this, or who at least act as though they had failed to do so?

I have only a few things to say and a few unsolved problems to put before you concerning the events of last September.

The Franco-British plan which resulted from the London Conference of September 18th, in giving to the Reich Czecho-Slovakia's natural frontiers and her most important fortifications, left her entirely at the mercy of Germany. This being the case, I find it difficult to discover any logical explanation for the events which followed (Godesberg, the partial mobilisation, etc.).

The Czecho-Slovak Government declared that Czecho-

Slovakia's fate was decided without their having been consulted. I see no reason to doubt their word. In the explanations and discussions, at least in France, which followed the Munich Agreement, little mention was made of the Czecho-Slovak point of view, and of its chances in case of armed conflict. One was almost led to believe that the Czecho-Slovak army did not exist.

Speaking some weeks ago at Marseilles, the French Foreign Minister stated that thirty-six German divisions were ready to invade Czecho-Slovakia. This can be accepted as true, but in warfare forces are relative, and the statement is incomplete when the strength of one opponent only is mentioned. Why did the Foreign Minister suppress the fact that drawn up against these thirty-six German divisions were forces equivalent to forty Czecho-Slovak divisions protected by country which was difficult in many places, and by fortifications?

The most formidable danger to be feared for Czecho-Slovakia was that of being taken by surprise.

Given the fact that German formations at peace strength have at their disposal both men and material only slightly less than would be available at war strength, a sudden attack against a Czecho-Slovak army, without warning, might achieve a depth of penetration into Czecho-Slovak territory which would be capable of seriously hindering Czecho-Slovak mobilisation and conduct of operations—even though the German formations had not yet been brought up to war strength. In September, however, the sequence of events was such that the necessary provisions had been made to overcome this formidable factor in the situation.

I have read, in an English journal, an article by Professor Seton-Watson in which he states that the Munich Agreement lacks those technical qualifications that one expects to find in an agreement of this sort. I should like to be able to contradict him, but unfortunately I can find no valid arguments.

A rapid perusal of the document rouses at once a number of disquieting points. The agreement stipulates in Article 8 that Sudeten Germans serving a sentence for political offences should be released. The introduction of a reciprocal clause seems obvious, even to a tyro with no knowledge of treaty making. Why was this clause omitted from the Munich Agreement? Were the British and French contracting parties entirely ignorant of the fact that Czecho-Slovak citizens (Czechs, Slovaks, and German democrats) had been kidnapped, taken into German territory and kept in custody?

Speaking generally, did not the occupation of the frontier regions and the Czecho-Slovak fortifications by German troops as early as October 1st last, render impossible any further discussion by the French and British contracting parties of the ultimate position? Did it not effectively prevent their later intervention to protect the liberty, the lives and the possessions of the inhabitants of the Sudeten districts, Czech or German democrats, or to defend the legitimate interests of the Czecho-Slovak State? Have not events proved that the rôle of the International Commission was a farce?

Annexe II of the Munich Agreement provides that in laying down the frontier with Hungary, difficulties should be submitted to the four contracting Powers of Munich. In this case why was this frontier settled at Vienna without consulting France and Great Britain?

If it be true that the Munich Agreement excludes the possibility of effective intervention by France and Great Britain for the protection of Czecho-Slovak interests, how can one justify those provisions of the Agreement which deal with the International Commission? Are we not to believe that they were intended to create an illusion, to make it appear that agreement had been reached and was embodied in a formula which was entirely non-committal? It is a great pity that one is left with one's own analysis. I personally would be immensely relieved if someone could allay my doubts.

You know the results of the Munich Agreement on Czecho-Slovakia. To what extent do the Czecho-Slovaks retain the right of self-determination? The Czecho-Slovak citizen remains master of his own mind and feelings, and that is about all. The notion of the right of self-determination has often been used to confuse men's minds, to appeal to their better feelings, and raise pity in the tenderhearted.

Logically the rights of one set of people are limited by the rights of others. "Self-determination" does not escape this rule. I cannot agree that the right of nine or ten million Czechs and Slovaks to choose for themselves is less to be respected than that of 3,250,000 Germans. Yet by allowing the German fraction of the Sudeten districts to be joined to the Reich, the right of self-determination of the whole Czecho-Slovak people has been sacrificed.

I may have allowed my affection and my admiration for the Czecho-Slovak people to appear during the course of my address. I both like and admire them, I admit, but I assure you that I do

not do so unreasonably. I have watched the Czecho-Slovaks at work for more than twenty years, and I was a witness of the dignity with which they accepted misfortune. Yet even while I am talking to you, I find myself assailed by doubts and foreboding of events so much more vital, that Czecho-Slovakia falls back to a place of secondary importance. The climax of September 1938 is probably only an act in a drama much more vast.

Not only ethical considerations, but our own interests demand that we should examine our conscience in a way which allows us no loopholes of escape when we consider the drama of the fall of Czecho-Slovakia.

Summary of Discussion

A MEMBER asked whether the lecturer thought that Polish aid could have been secured, and if so, whether he thought that Polish aid would have been worth while.

What would the attitude of the Slovaks have been if there had been war? Would they have co-operated with the Czech army?

GENERAL FAUCHER answered that he had not followed the negotiations with Poland. Such questions remained in the diplomatic sphere, and his duties had been of a purely military character. The Polish army comprised about thirty divisions at peace strength. Poland had good soldiers and intelligent officers, no doubt, though there was some hesitation as to whether their fundamental value was up to the standard of appearances. Their armaments were poor, although they had been obtained at the cost of considerable sacrifice, representing as they did 30 per cent. of the total budget, but as the budget itself was small, the amount spent on the army was not very great.

He had never entertained fears concerning the attitude of the Slovaks in time of war. The autonomist movement did not arise from the mass of the people, but was led by a few agitators only. The Autonomist Party had the support of only about a third of the electors. Events might have taken a different course without the intervention of foreign influence. German propaganda had already been at work for a long time in Slovakia. It was intensified during the critical weeks. It found in the Slovak autonomists, consciously or not, an all-too-obedient instrument; but there is no doubt that in case of war the majority of the Slovaks would have sided with the Czechs.

MR. WICKHAM STEED referred to the allegations that the Sudeten Germans were the victims of a cruel and bestial persecution.

He added that he happened to remember that at the Peace Conference at Paris in 1919, a French general, General Lerond, who took a great interest in frontier matters, had asked for the incorporation of a million Sudetens within the Reich, and that he had been supported by M. Masaryk and M. Benes. It was the Council, consisting of Mr.

Lloyd George, President Wilson, M. Clemenceau, and Signor Orlando who had refused his request. Did the lecturer remember this incident?

GENERAL FAUCHER replied that he had heard recriminations directed against the Czechs by the Germans, or by the Czechs against the Germans, but he had also often come across cases in which the relations between Czechs and Germans were perfectly peaceful. His own impression was that as a whole there was no irreconcilable hostility between the two nationalities. He had had to do chiefly with army officers, and he had found them anxious to treat the minorities justly. It was quite true that Czechs from the interior were sometimes used in Sudeten districts on work which could easily have been given to Germans, but it was untrue to say that this was part of a deliberate campaign to discriminate against the Sudeten Germans. Many of the things which had been said on this subject had been exaggerated, or even simply invented by German propaganda. A colleague had shown him in Paris a book on Czecho-Slovakia published in France, and bearing the name of a French author. On glancing through, he had recognised it immediately as a work of German propaganda. It was full of all sorts of lies, including the story that the economic crisis had been made use of by the Czechs to quicken up their policy of exterminating the Germans, and that since the beginning of the crisis 60,000 Sudeten Germans had committed suicide. He had looked up the statistics in Prague, and had discovered that the annual total of suicides for the whole country, that is to say for 15 million inhabitants during this period, had been approximately 4000. Suicides were more frequent in Central Europe than in the West. He had always followed the parliamentary debates with great care, particularly the questions and answers dealing with the minorities, and he had come to the conclusion that the sufferings of the Sudeten Germans had been grossly exaggerated by German propaganda.

He could not remember General Lerond's proposal in Paris in 1919, but the archives of the Conference were there to prove that the question of frontiers had not been lightly treated, but had been most carefully gone into by the experts and specialists of several nations. He wondered whether the statesmen who concluded the Munich Agreement had had the same number of learned men and specialists at their disposal.

QUESTION. Would the regiments of Sudetens have remained faithful to the Czech Army?

GENERAL FAUCHER answered that no specifically Sudeten regiments had been formed. The Germans had been included in drafts of recruits of other nationalities. There was no doubt that there would have been desertions, but as the Sudeten Germans represented only some 23 per cent. of the population and their birth rate was lower than that of the Czechs, the proportion was not very high. If a

company consisted of 200 men, of whom forty were Sudeten Germans, all of whom deserted, 160 men would be left, and a perfectly good fighting strength. During the Great War a company often did not consist of more than eighty, sixty, or even fifty men. Moreover all the Germans would not have left.

QUESTION. Would it have been possible to transport a French army into Czecho-Slovakia and to maintain it once it had got there?

GENERAL FAUCHER replied that it was a possibility which had not been considered at the outbreak of war. Had war been long-drawn-out, many factors which it was impossible to foretell in the early stages might have come into play. There was no question of transporting a French army into Czecho-Slovakia at the beginning of hostilities.

MR. E. C. WILLIS asked whether previous to the Munich Agreement there had been any military understanding between Prague and Moscow.

GENERAL FAUCHER replied that he did not believe that a military understanding had existed between Czecho-Slovakia and Russia before the Munich Agreement. In any case, his knowledge did not extend beyond published documents. M. Litvinov had repeated more than once that Russia would honour her engagements. Later the Soviet Government had warned the Polish Government that if the latter marched against Czecho-Slovakia, Russia would denounce her non-aggression pact with Poland, which could only be taken to mean that if Poland attacked Czecho-Slovakia Russia in her turn would attack Poland. He did not think that blame could be attached to the Russians for the events of September.

QUESTION. For low long could the Czecho-Slovak Maginot line have held out against the Germans?

GENERAL FAUCHER answered that the Czecho-Slovak Maginot line was not of equal value everywhere. Certain parts were as strong as the French Maginot line, others were weaker, some were not even finished. He considered that the garrisons had been well chosen, and that both officers and men had behaved very well. Some soldiers had preferred to commit suicide rather than come out. The length of time for which the fortifications could have held out depended as much on the men who held them and the amount of training they had had in manning these works as on the quality of the concrete of which they were built, on the guns, and on the state of the war material in general. He considered that the Maginot line which had been manned for a long time by soldiers who knew it like the back of their hand, and were at home there, could be held for longer than the Siegfried line, which was a comparatively recent creation.

IMPRESSIONS OF TUNIS AND LIBYA [1]

H. N. Brailsford

My subject is not Tunis and Libya, my subject is : Impressions of Tunis and Libya, for please do not let me pose as an expert. I was in Tunis for a fortnight and in Libya only for a few days, so that it is only impressions that I can offer you.

My first impression is not a visual one. My first impression is that the whole problem is a problem of power. Fascism, as I see it, whether in its German or its Italian variety, is a negation of all the values of European civilisation and a barbaric assertion that power is the one supreme value in life. That may be a dogmatic assumption, but I will confess that I went to Tunis and Libya with that belief. I was studying primarily a problem of power. What it is, is obvious to anyone who glances at the map. If the Power that possesses Sicily were also to acquire Tunisia, it would control the Mediterranean. It would grip the Mediterranean at its central belt, and with that it would acquire a complete strategical and, if you like, commercial control over this world highway. In other words the problem really is whether Italy can acquire Bizerta. Bizerta is the most magnificent harbour on the whole African coast, and the Power that controls Bizerta as well as Sicily, and the little island of Pantellaria, now a submarine and aeroplane base, would be in a position to close the narrows of the Mediterranean. I will not assert that strategical power is the only motive that might lead the Italians to desire Tunisia. Certain secondary motives arise. A colony like Tunisia which has a surplus export of wheat is not to be despised. Moreover, if you were to apply the kind of technique that the Italians have applied in Libya, you could greatly increase its European population. Generally the impression that I had in Tunisia was one of poverty, but that may be an oddity of mine, because when I think of wealth and poverty in any colonial possession, I am apt to look at the natives first, and the Europeans afterwards.

Man has wrought havoc with this once rich territory. Everywhere you go, and I went about a good deal, you realise that the main problem of Tunisia is a problem of soil erosion, and if ever

[1] Address given at Chatham House on March 9th, 1939, Mr. W. Norman Ewer in the chair.

Tunisia is to be wealthy again, as it was under Roman rule, that would have to be tackled. If Tunisia had the benefit of the methods that Mr. Roosevelt is using in the Tennessee valley, I suppose you might in a generation make it a very valuable colony indeed, but without those methods, which involve a great expenditure of capital, it is not exactly a great prize from an economic point of view. It has, of course, very valuable mines of phosphates. It also can grow everywhere all the usual Mediterranean staples, the olive, the vine, and the orange, although in fact there are not many orange groves; but the quality of the olives is poor, while the quality of the vines varies according to the sanctity of the cultivator. The Church produces excellent wines. As for the natives, I never ceased to feel that I was in the midst of poverty. The first impression I got when I landed was of wretched huts in which shivering natives were huddling, and then of splendid granaries where the fruits of their work were stored. And that repeated itself all over the place. The natives were ill clothed. Their animals were small and obviously starved, even in the rainy season. Their houses were hovels; and if I speak of visual impressions I shall never forget the feeling I had when going about in the bazaar in Tunis, when I came to the second-hand market. There you had stored along a lengthy alley all the valuables that it was worth while to save and collect and to sell, canvas shoes with holes in the soles, used medicine bottles, used-up old jars that had once held toilet creams. I said to myself as I walked down that bazaar with its second-hand market: "There you have the measure of the value of farthings in Tunisian life." I could give statistics to back that up, but I will only give one example. When I went to Kairouan, the oldest and most glorious of Tunisian cities, with its lovely ancient mosques and its relics of a very great civilisation, I discovered that one-third of the population was depending on relief from the French authorities. The fact is, of course, that in this dessicated country with its problem of soil erosion everything depends on the rains, and the rains are extremely unreliable. In the south no one expects a good harvest more than once in four or five years. In the north, on the shores of the Mediterranean, especially round Cap Bon, you can calculate on a good agricultural yield every year, and its Italian colonists are, on a small scale, prosperous farmers.

My visit happened to coincide with the arrival of M. Daladier. We had all the usual parades, reviews, and the firing of ceremonial guns and the booming of ceremonial aircraft. Everybody had come to welcome him by train, and on camels, and by air, and by

sea. But what impressed me most was not those who were present but those who were absent. At the prison on the hill lay the leader of the Tunisian people, Bourghiba, the head of the nationalist movement, and ten or a dozen of his lieutenants. They were not present to meet M. Daladier. There were some unrehearsed incidents which, I imagine, found no place in the English Press. A group of Arab women tried to present a petition to M. Daladier for the release of their leaders and were arrested for their pains. I went to the banquet in the evening at which he made his defiant speech. The audience was as much Arab as French, about half and half. The French have the estimable advantage over ourselves as colonisers, that they are almost free from any racial pride, and that they mix socially with the Arabs, whether in cafés or on such occasions as this with, at any rate on the surface, a complete assumption of equality. The only thing M. Daladier said that seemed to me to mean anything, was that order must be maintained. I watched the Arabs in the audience and I watched the French. They were about equally discontented. The French with whom I talked afterwards felt that he had certainly said that there should be no territorial concessions to Mussolini, but there he had stopped. It was not so much the territorial as the legal concessions that they feared. When I watched the Arabs during this speech, not once did they applaud, not once did they smile. They kept a perfectly inscrutable, mask-like appearance throughout the oration.

I will speak first of the native Arab problem in Tunisia. There is a pretty vigorous nationalist movement which has existed for a good many years. It revived when a new generation seemed to come to the top two or three years ago, and enjoyed a complete renaissance. The organisation is known as the Destourian movement, from the Arabic word *destour* which one usually translates " Constitution." Whenever the organisation translates its documents into French it calls itself a Liberal Nationalist Movement. Its programme is a bit vague, and some of the demands are put in deliberately ambiguous language. It asks for representation, meaning, I think, manhood suffrage. It asks for universal, compulsory and free education as in France. It asks for the equality of the French and Arabic languages, and finally, for a more satisfactory system of taxation. The revenue in Tunisia, as, indeed, in similar British colonies, is almost entirely indirect. It is based on the taxation of the necessities of life, and the Destourians want a due proportion of direct taxation for the raising of revenue. You may ask what is the magnitude of

the support for this movement? It was suppressed and lives only underground, but as far as I could gather from the Arabs who were willing to trust me and give me their confidence, it has still about eighty-eight thousand members. That in an Arab population of two and a quarter million, if you subtract women and children, the nomad Bedouins in the south, is a very big membership indeed, and I think that with one exception, and that an important one, it represents the Arab population. The important exception are the magnates, and above all the territorial magnates, the landed gentry from the Bey downwards. They have nothing, and will have nothing, to do with this Destourian movement. When the organisation revived and became enterprising it took to possibly questionable and at any rate unsuccessful methods. It attempted in November 1937 a General Strike which was just a fiasco. Then in April of last year there were mass demonstrations in the capital. As far as I could hear, and of course I questioned the French as well as the Arabs, there were undoubtedly a few hotheads among the Arabs who had revolvers and fired them, whether in the air or deliberately at the French police, I am not sure. That was the signal for a volley from the French gendarmerie which accounted for about a hundred casualties. After that the leaders were all flung into prison from Bourghiba downwards. A certain number of the minor people have been released since that day, but nobody has yet been charged and nobody has yet been tried.

You will ask about the attitude of these Arabs towards the French. I wish I could answer that question, but I dare say many of you have had the experience of trying, under all the diplomacy of the oriental, to get down to his inmost feelings. Unfortunately, I could only talk to them in French, and they saw me with French friends or acquaintances. Whether they ever talked to me frankly I do not know, but I think that some of them did. They all expressed not only loyalty to France, but even a certain imaginative affection for French culture, for what you may call the French idea. This was combined with a good deal of hostility towards the official régime in Tunisia and some hatred of the wealthier French settlers. On the other hand, their attitude to the mass of the French settlers was one almost of affection. When I listened to those Arabs, time and again talking about the French teachers and what they have done for them, not only in their secondary schools but in the villages too, I felt that I would have been very proud if I had ever heard a native people talking in that way about English teachers. That was said without

exception, and certainly as I went about among my own French friends and acquaintances I came to realise that at any rate the parties of the Left were really acting on an ideal of fraternity and equality in their dealings with the Arabs. Anything that I have to say that may seem critical about French rule must be qualified by that. There really was this fraternal, human relationship between a large part of the French colony and the Arabs.

When I came down to the bones of the matter, the structural question, my feeling was as it used to be in Egypt long ago, that the fault of the French was that they had governed too little rather than too much. They had left far too much of the traditional Barbary State with the Bey at the top, of course quite powerless as regards the French, but still with a certain authority as regards his own Arab subjects. Working downwards from the Bey, in every district the Caid or the Sheik was responsible for administration over the native population. It struck me as a thoroughly bad system, because the executive, judicial and fiscal powers were combined in the same person. The same man was collector in the Indian sense, policeman and judge, and in both capacities he wielded tremendous power. My feeling, I confess, was that the French had bought this upper class, this stratum of landed gentry, by giving them their heads to exploit, or if you like to rob, the mass of the population under them. I spent several days in Kairouan, and there my handicap, of course, was that I could not speak Arabic, but I got to know quite a number of Arabs who talked what they believed to be French and I think I did get a picture which was fairly true and fairly detailed of the life of this old town. Here was the kind of thing I discovered. If you are totally destitute and in need of relief, the only way to be recognised as a pauper is to pay a bribe to the Sheik or Caid; and again if you are not only poor but ill and your ambition is to get into one of the public hospitals, once more you must pay your bribe before there is any chance of your being put down on the register. Similarly with taxation; as one saw it from below among the Arab population of Kairouan, the whole system stank of corruption and brutality. That was not French, of course, that was native Tunisian, but the French tolerated it and winked at it. Then they have left standing unaltered all the old social iniquities which were there before them. I could give several, but I will give one—the system of land tenure. It is mainly what the Americans call a share-cropping system, *métayage* as the French call it. The landlord lets out his land to a cultivator, who may bring more or less of his own to the task of cultivation. He may

bring an animal. He may bring a plough. But supposing, as is the usual case, that your unfortunate cultivator possesses neither an animal nor a plough, and that he simply comes to the landowner and says: "Here is my labour power, let me till your land." Very well then, the cultivator supplies seed, an ox or perhaps an ass and a plough, to scratch the soil, and what do you suppose the cultivator gets for his labour? One fifth of the harvest. I was told, though it seems to me incredible, that in a good year that would suffice for the maintenance of the share-cropper and his family; but a good year in the south, as I have said, comes once in four or five years. In the other years, this share-cropper simply becomes the debt slave, the peon of the proprietor. Moslem law and the established custom of Tunisia, sanctioned now by the French, has made of this share-cropper a virtual slave tied to the soil, who may not quit his master's service as long as any of his debt remains. He runs up a debt in three years out of four which he can never hope to wipe out.

Then let us take the fiscal system. The system of taxation, as I have said already, is mainly indirect, taxation of all the necessities of life. There is no income tax properly so-called. There is what the French call a personal tax, but the graduation runs up only to the equivalent of about six hundred pounds and thereafter stops, so that if your income is half a million you will pay no more than if it were six hundred pounds. This is an arrangement highly valued by big business in Tunisia, and big business, it seemed to me, was in control of Tunisia. It meant primarily the phosphate mines and the railways. There is properly speaking no representative government in Tunisia, but there is a Consultative Council known as the Grand Council, and that is composed in this way. There are two Chambers, a native Chamber and a French Chamber. The native Chamber is entirely nominated by the Bey, and it consists, as you might imagine, of the completely loyal and anti-nationalist Sheiks and Caids. As to the French Chamber, half of it is based on universal or rather manhood suffrage, but the other half is drawn from Chambers of Commerce, Chambers of Agriculture and other purely capitalistic groups, so that in neither Chamber is it ever possible to get a popular majority.

How far is the Arab population a loyal population? I have got to say frankly that I do not know. As I have said, the Arabs knew very well that I was in touch all the time with the French and even with the French authorities; so that if they had been pro-Italian I am quite sure they would not have said so. The

French authorities themselves believe in their loyalty, and the usual story, at any rate the story which was told to me as a journalist, was this: that the Tunisians knew very well what conditions in Libya were. There are something like ten thousand Libyan Arabs in Tunisia. The usual word applied to them was refugees, but I think they were probably rather emigrants in search of work. At any rate any French official would tell you that these Libyan Arabs had brought the most devastating accounts of Italian rule, and I do not doubt that they did, and that this was pretty well known to the Tunisian Arabs. On the other hand, I asked again specifically of the highest French authorities whether they thought that Bourghiba, the leader of the Destourian movement, was personally pro-Italian, and they replied, " Well, no "; he might have committed one or two indiscretions, but they did not think that he was pro-Italian. Again I do not know whether that was an honest answer. A journalist has to ask himself all the time what is the motive of anybody, whether Arab or French official, in making a given statement, and the French official who said that to me may have thought that it would look rather bad in England to admit that the popular Bourghiba was pro-Italian and not pro-French. However, the fact is this: that about a year ago a Tunisian Arab went over to Italy and broadcast an extremely anti-French speech from the famous broadcasting station of Bari. He spoke in Arabic, of course. And when his luggage was searched on his return there was found in his possession, in his wallet, a letter from Bourghiba introducing him to the Italian authorities. Well, you may make what you like of that, and you may also make what you like of this, that when I was subsequently in Libya and talked to the Italians, the Italian officials with a very superior smile would usually say that they thought the French were a little unduly complacent in trusting to the loyalty of the Tunisian Arabs. I cannot carry it beyond that. I have told you of the real affection, the real esteem, that the Arabs had for certain sections of the French settlers, above all the intelligentsia and the teachers. Equally they are in opposition to the government as such, and they feel towards the wealthier French settlers feelings of hostility which I think they deserve. Personally, I thought that the French were making a mistake of complacency; that they were trading on the pacific character of the Tunisian population, which is certainly not warlike, and that they would have been very much wiser to have celebrated M. Daladier's visit by a general amnesty. In their place I would be more inclined to put my trust in the hopes

of the Arab population than in the magnificent concrete forts that the French are building or have built in the south of Tunisia. When I go over that Destourian programme, of general education, democratic representation, equality of the French and Arabic languages, and a due proportion of direct taxation, I can only think that Tunisia would gain if the whole of it were promptly adopted.

Now I must come to the other side of the Tunisian problem, and that is the Italian side. At my first visit to the Italian Consulate I realised that it was the most magnificent building in the town. The French Residency is quite a distinguished, well-proportioned, architecturally pleasant building, but from the point of view of magnificence it is a cottage beside this superb Italian palace. The Italian Consulate, when I visited it, was in process of being cleaned. It had scaffolding all round it and workmen on the scaffolding were engaged in erasing the red, white and blue ink which some French students had thrown on the walls a few days before. The first impression that seized me as I began to wander among its magnificent courtyards and palatial staircases, looking for the man to whom I had an introduction, was that vast numbers of Italians, hundreds and thousands of Italians, appeared to be making their way to some particular room. And when I enquired, being a journalist, I found that there were nine thousand Italians receiving relief, outdoor poor relief, in that Consulate, nine thousand Italians from the city of Tunis alone. There you had the State within the State, a complete political organisation grouped around this Italian centre.

The European population comprises Maltese and Greek elements, but apart from these it consists of ninety-four thousand Italians and a hundred and eight thousand French subjects. I say advisedly French subjects and not Frenchmen, because about thirty thousand of them are naturalised Italians. The French troops are not included. If you turn to the ninety-four thousand Italians, about ten thousand of them are Jews. I doubt if these Jews, after the recent policy adopted in Italy, will remain Italian subjects very much longer. There will be a certain leakage in that direction. That, for the Italian cause, would be unfortunate, because much the most influential and the abler part of the Italian colony in Tunisia is Jewish. They are the bankers, the merchants, the doctors and the lawyers. The Italians are mainly the workmen and the spademen, for about eighty per cent. of this Italian population consists of manual labourers, and admirable manual labourers they are, industrious and frugal. As you

might imaginé, the last thing they had in their minds when they came across the seas to Tunisia was conquest. They were simply Italian proletarians in search of some means to live. Some of them became fishermen, some of them worked in the phosphate mines, while the most fortunate of them got land on Cap Bon and planted their vineyards there. These small peasant farmers are happy and prosperous. I would not say the same for the rest of the Italians.

From the 'sixties of the last century under the Bey, in the native Arab State, these Italians, mostly Jews at that time, enjoyed full extra-territorial rights. They had been granted capitulations in the usual sense prevailing in Turkish territory, and had their own consular courts, and were, of course, completely a State within the State. Then after 1881, when the French stepped in, and above all after 1896 when the position was regularised, the Italians gave up a certain number of their rights. They gave up their right to be tried in their own consular courts, but they retained their right to have their own schools and to perpetuate their nationality from generation to generation. At least two-thirds of this Italian population of ninety-four thousand were born in Tunisia and not in Italy. They are Italians of the second or third generation, and when I came to know them individually, they often talked Arabic as easily as they talked Italian, and their French, if not very elegant, was at any rate fluent.

There had been a period of great bitterness when the French had stepped in and taken what the Italians had thought would fall to them, for the French population of that time amounted, I think, only to seven hundred persons. The Italians felt robbed, and not unnaturally. But it was a period of retreat, an unenterprising period as regards imperial ambitions. After Adowa and the defeat in Abyssinia, no Italian dared to talk about empire. The French had their way with comparatively little molestation until the Fascist revolution, and then attention turned to this promising Italian colony in Tunisia, and all the apparatus of Fascist organisation went to work. The schools at that time had a population of three thousand. It is now raised to fifteen thousand, and motor buses go into the most remote parts of Tunisia to collect every Italian child for an Italian school, and there they are drilled according to the Balilla method and taught to sing their Italian Fascist songs. Not only were the children organised in this way, but the workers were dragged out of the French syndicates, the trade unions in which they had been enrolled, and brought into

the Dopolavoro. Presently an Italian Secret Service, the O.V.R.A., arrived to bring the blessings of discipline and coercion with it, and they got to work on the politically less satisfactory members of the Italian colony and very soon there was a murder or two to its account. There was at the time a militantly Fascist and nationalist newspaper, the *Unione*, which used to write not only in the most militant sense politically, but in the most personally offensive sense, at any rate about the French statesmen in the Popular Front. Up till a few weeks before my arrival Blackshirts had indulged in processions and their exercises had been tolerated. They had been stopped by the time I got there. One had all the time the sense not only of a State within the State, but a State which was actually and militantly hostile and made no attempt to conceal its hostility.

You will ask, what reasonable grievances had these Italians? Well, they had no reasonable grievances, if you accept the usual convention that civilised people coming to another civilised country, if they really mean to live and settle and rear their children there, will wish to accept its nationality. Subject to that assumption, the Italians had no grievances, and thirty thousand of them had accepted French nationality. But that is not the solution which any Fascist nationalist State could tolerate, and to accept French nationality was regarded as an act of treason by the Italians. Their grievances were inherent in the status to which they clung, the status of foreigners. They had no vote for the Grand Council, for what it may have been worth. They were foreigners and insisted on being foreigners. Again, they said that they received virtually no contracts for public works. No doubt that also was true. Equally, because of their status as foreigners they could not get official jobs; nothing from postman to prefect was open to them. Again, in the courts they were tried by French judges and by French law, although the jury, when an Italian case came up, was composed of half French and half Italians. That was a considerable concession. If you ask what the Italians want I simply do not know, in the sense that of the many officials with whom I talked not one of them would state what their demands were. Their demands have not yet been formulated, but I should imagine, drawing inferences from the conversations I had, that the least of those demands would be for complete extra-territoriality, and that would mean a return to the situation as it was before the French occupation, in which the Italians would be judged by their own consular courts. Well, if the French are—what shall I say?—as timid, as pacific as to

grant that, they will have lost Tunisia, for under cover of that the Italian penetration would become an open conspiracy. Another possibility is that Italy will boldly demand a Condominium with France.

I am afraid I have left myself rather inadequate time to talk about Libya, but it was very interesting, and it was interesting above all because it was a complete contrast to Tunisia. As soon as I landed in Libya I had the feeling that I had met the State. I never felt that in Tunisia. I met French settlers of all kinds, business men, the intelligentsia, teachers, etc., but I never saw the French State. In Libya there was almost nothing else to see but the Italian State. It had created this colony out of nothing but the burning desert sand, and a very superb creation it was. There had been in Tripoli a derelict Turkish village, and now there is a superb European town, built on a logical plan with admirable modern functional architecture. There is scarcely a building that shows a lack of taste. Only one thing shouted out to me by its vulgarity, and that was the statue of Il Duce. There he stood, or rather rode, as the protector of Islam, his sword raised above him. The rest had been done under the admirable taste of Marshal Balbo. He must be a man of very considerable taste, because it was quite admirable, whether you think of the restoration of Roman antiquities or of the modern functional architecture.

I have told you a great deal about the natives of Tunisia, because Tunisia is a free country and there I could go and talk to the natives, and I think there was very little in their heads that they did not say to me. Libya is not a free country, and I could not go and talk to the natives and I can tell you nothing about their position. You all know, of course, that the conquest of Libya was about the most brutal in all colonial history. The Italians virtually lost Libya during the War. Nothing remained to them except Tripoli itself, and Marshal Graziani reconquered it. He did it by sealing up the wells with concrete, so that to this day the bones of human beings and animals lie in heaps around them. He did it by the daily hanging on the walls of a dozen Arabs in Benghazi town. He did it by dropping Arab chieftains from his aeroplanes. That is now over, or so I believe. If you ask me why it is over, I will say that as I went around every Italian settlement I saw that there had been built pillboxes and walls with gun emplacements. Now they stand neglected. There is no longer any necessity to man the walls around the Italian towns. Again, as I went about I saw blockhouses which were

now neglected and abandoned. So that although I cannot tell you at first-hand what the Libyan Arabs are thinking, I think I can tell you that the struggle is over.

What I can tell you at first-hand, concerns the modern Italian colonies and settlements. The history of that colonisation was that it started even before Fascist days on a capitalistic basis. That is to say vast concessions were given to anyone who would buy them. They were not successful and there was no demand for them, because all that you can grow over the greater part of Tripoli without irrigation is olives, almonds and perhaps vines. Well, as you know an olive takes twenty years before it yields its fruit, so that was not a quick and profitable investment. The capitalistic period of colonisation was bluntly a failure. The modern period of colonisation starts from the appointment of Marshal Balbo as Governor; and the system now is that the State contributes all the capital and all the organisation and the pioneering that is necessary to create a colony. It does it through a sort of controlled public utility corporation, called an *ente*. The State supplies all the capital, acquires all the land, builds all the houses and actually carries through the first pioneering ploughing of the land. Then the *ente* takes over and its job is to collect the reimbursement from the settlers gradually. The State in the end gives one-third of the value of each holding free. The corporation has to pay two per cent. on the capital, and gradually it hopes over twenty years or so to reimburse itself from the colonists. The colonists are chosen from reliable rural workers; the main thing is that they must have a large number of children. The number preferred is six, but it may run up to eight or ten. Indeed, families of ten, including three generations, were not uncommon amongst the settlers. These proletarians, who have nothing but their labour power to dispose of, are picked up amongst the rural workers of Italy and then transported out to Libya. Before they arrive everything has been prepared for them. The land has been ploughed up by a motor plough, and their cottages have been built for them, and not only built but furnished. The cottages were admirably planned. I have nothing to say against them except that they were monotonous. Every cottage over the whole colony of Libya was exactly the same, with the same really admirable, white, simple functional architecture, the same four rooms, and even the same furniture. The furniture could not have been better designed, but it was, of course, mass produced. These pioneer cottages were as like as the cells of a beehive, but

also I must admit that like the cells of a beehive the architecture was as good as could be.

This colonisation involves two triumphs, first of all a triumph over the sand. When for the first time I drove out of Tripoli I realised what it meant, this problem of drifting sand which you can only hope to hold back by planting trees. But what trees will grow in that arid soil? It has been found that the wattle, the eucalyptus and the tamarisk will grow, and so they were being planted, but before the sapling would take root you actually had to make a hedge of desert grass round it to protect it. That I saw being done along the great military coast road over which I travelled. The Forestry Department was at work. I realised what that achievement meant when I came to what was perhaps the most thrilling part of my visit to Africa, that was when I came to Leptis Magna. When the Italians have finished uncovering it from the sand, this will be by far the most superb relic of the ancient world that survives. Excavation is very easy. You have only to shovel the sand away and then you discover basilicas, forums, triumphal arches, and enough statuary to fill the British Museum, and all manner of exciting things including numerous inscriptions in the Carthaginian language. But I will not talk about that, fascinating as it would be, except to say that it is the inspiration that sustains the Italians. They know what their ancestors did and they mean to do it again. But the first thing to do is to hold back the sand which buried the glories of Leptis Magna.

The next thing to do is to get at the water. It is simply no use sinking surface wells over the greater part of Libya. The only way to get at the water is to sink an artesian well which may have to go down four hundred metres, a quarter of a mile or so, but once you have done that, up comes an inexhaustible stream of water without the intervention of power. The well which I visited first was hot and sulphurous, not too hot for irrigation but pleasantly warm. In the colony I visited there were sixteen of these wells, and the whole landscape around as far as you could see was green in the first week of the year, and already barley and three or four prosperous vegetable crops were springing up. The centre of the colony was a really well-planned little village, and again the buildings were in good taste. The Church was much the most conspicuous thing there. In addition there was, of course, a Fascist headquarters, a doctor's clinic, a midwife's office and a school. There was everything that was needed for the collective life of the inhabitants, everything

except a council or a committee room or an assembly room. Assuming more innocence than I felt, I enquired whether there was any elected council for this colony, and of course the answer was no. But I had an introduction to the young man who had charge of some four thousand souls. He was somewhere in his twenties. He wore a reassuring uniform, a military uniform, and he flicked his cane on his trousers by way of asserting the principle of leadership. When I went about amongst his subjects I think they were happy. They were very simple people, and they were obviously much more prosperous and much more secure than they would have been in Italy. For their first year they had received, as was only right, a subsistence allowance. In their second year already they were hardly dependent on it, but were receiving it in a diminished amount, but already they showed me the cotton and tobacco they had grown in the first year, and they took me round to see how promising were the crops coming up at that moment. They had planted round their monotonous cottages trees that will give them a certain variety as the years go on. To sum up, this colony certainly does not pay; but I am equally sure that the Italians do not care whether it pays or not. That is the essence of Fascism. It is a revolt against every form of rationalism, including that form of rationalism known as economics, and if you were to say that it would not pay, a Fascist thinker or a Fascist leader would merely regard you as a poor-spirited, unheroic citizen from the materialistic and liberal West. Anything, then, that we might say on that subject is irrelevant. This colony, however, is a superb victory over nature, which means faith and will. I will quote a remark that a Swedish journalist who was with me made when we were going over it together: "It is very fine," he said, "but I do not feel that there is any love here." And I think he was right. It was an amazing thing which had been planned, and the sole purpose of it was power. But remember this: we are facing in that Fascist axis, whether in its German or in its Italian form, a thing that succeeds not by its vices but by its virtues. They have the will to create and plan. When I survey their work in Libya, with all my liking for the French, and all my sympathy for French culture and the attitude of those admirable French intellectuals, I find myself saying: I wish the democracies also could acquire this tremendous dynamic drive and this sense of order and creative planning.

Summary of Discussion.

MR. HENRY NEVINSON asked whether the harbour of Bizerta could be of any service to the British fleet if terms could be made with the French?

What was the character of the Arabs in Tunisia? They were said to be a not very courageous people, unlike the Arabs of Saudi Arabia. Why did the Arabs living along the borders of the Mediterranean not rise against the Western Powers and make a disturbance such as was being made now in Palestine?

Would it not be possible to send large numbers of Jewish refugees into Algeria and Tunisia? The Jews had proved in Palestine that they were capable of undertaking very useful agricultural work. He had seen them standing waist-deep in mud at Haifa reclaiming the land for a great harbour and for cultivation.

MR. BRAILSFORD replied that Bizerta would be the ideal base for the operations of the French and British fleets in Mediterranean waters. The waters of Bizerta were large enough and deep enough to take the whole of both fleets, and the harbour was not subject to the disadvantages of Malta which was so near to Sicily that it could be easily bombed, nor could it be starved out.

It was a mistake to call the people of Tunisia Arabs except in the sense that they spoke Arabic. Actually they were Berbers, except the Bedouins of the south. The population of the big towns such as Tunis itself was very mixed, a Levantine population including African slaves and Christian slaves brought over at the time of the Barbary pirates.

It was quite true that large numbers of refugees could be established in Tunisia. The European population could be very greatly increased with sufficient capital expenditure, but there would have to be very great expenditure. It would be necessary to begin by the sinking of artesian wells, and then the problem of soil erosion would have to be tackled. The speaker had mentioned Jewish refugees. The lecturer wished to add a plea for the Spaniards and for those Germans and Italians who had fought in the International Brigade for the freedom which they had lost in their own lands.

MISS ELIZABETH MONROE said that she shared the lecturer's feeling that it was difficult to know what the Moslems in Tunisia really thought of the French. A Tunisian would denounce the French nation in one breath, only to remark in the next that Paris was the only place in which he cared to take a holiday.

On certain points, however, she did not see eye to eye with the speaker, who had, she felt, presented a distorted picture because he had failed to view Tunis as a part—and only a small part—of North Africa as a whole. For instance, the *métayage* system which he had seen and condemned in the Kairouan district was an ancient custom

in most Moslem countries; she had no wish to defend it, but one should remember that a practice which had prevailed for generations could not be rooted out by a Western ruler as easily as Mr. Brailsford had suggested. Another subject which needed to be viewed in its North African perspective was the granting of a greater measure of self-government to Tunisian Moslems. "Eldest first" was a principle to be respected in empires as in families, and before the French promoted Tunisia they must fulfil the demands of their elder territory, Algeria. Here was the difficulty, for in Algeria they were faced with a problem not unlike that of the British in Palestine, in that they had to deal with two groups of inhabitants, each with right on its side, voicing claims which were totally irreconcilable. Briefly, the Algerian problem was as follows: The Algerian Moslems wished to draw closer to France, to become more closely affiliated to a Western Power, and to live and vote as full French citizens. In this they differed from all other Islamic peoples. As against this, the million Frenchmen whom France had planted in Algeria were opposed to giving votes for the French Parliament to a Moslem population of eight millions who, whatever the educational qualifications imposed on voters, would one day outvote them. The French administration was faced either with letting down their own people, or else with losing the loyalty of the Moslems. The deadlock was at present complete, and until it was resolved, no steps could be taken about Tunisia, Algeria's junior by fifty years.

As regards the glum faces which had greeted M. Daladier in Tunisia, she could assure the lecturer that this was not an uncommon sight in North Africa. The same thing had happened when Signor Mussolini visited Libya. If Mr. Brailsford had seen some Arab women present a petition to M. Daladier, she could assure him that the Libyan Arabs had not been allowed to approach so near to the person of the Duce.

The lecturer had denounced the French for imprisoning Habib Bourghiba, but had not mentioned the fact that he was a very irresponsible young man, and that such hotheads could not be allowed to run wild among inflammable populations at a time of crisis. The tragedy of the younger branch of the *Destour* was that its really able, thoughtful leader, Dr. Materi, had resigned the leadership of the party because he did not hold with Bourghiba's excesses.

Mr. Brailsford had been cautious in his estimate of Arab opinion of the Italians; perhaps the Moslems were less outspoken on the subject nowadays than when she was in Tunisia in 1937. Then she had found them fairly voluble. The Tunisian Moslem, who was usually devout, certainly remembered and resented the treatment which the Italians had meted out to the Senussi during the conquest of Cyrenaica. Moreover, having received more lenient treatment from the French Left than from the French Right, he held socialist views, and disapproved of totalitarianism. During a discussion, held in Arabic, which she had overheard in a Tunisian tramcar, one of the

participators had suddenly shouted: "Vive la France." When she asked why he did so, she was told that he had just returned from a business trip to Tripoli. Yet another reason why the Tunisian Moslem disliked the Italians was that he saw them at close quarters, and resented the rival nationalism which they brandished under instruction from Rome. The Tunisians, themselves ardent nationalists, had no liking for the aggressive way in which the Italian population gave vent to a rival nationalism; indeed, Tunisian nationalism had been largely awakened by the Fascist transports. Further, the average Tunisian disliked the Italian population because it consisted chiefly of an artisan class which competed with him in all the small trades.

Lastly, she had just returned from Paris, where she had been struck by the French optimism which the lecturer had so strongly criticised. Frenchmen had told her that they understood British nervousness on the score of the Egyptian frontier of Libya, but had pointed out that they themselves cherished no such fears. Their army in Tunisia was perhaps the best military instrument in the world outside Europe, and enjoyed the psychological advantage of thinking the Italians poor soldiers—an army which the Libyan Arabs had already once driven into the sea. Further, while admitting that the Italian navy could interfere with the French mobilisation channel, they pointed out that their own navy was in excellent trim and could tamper most effectively with communications between Italy and Libya.

MR. BRAILSFORD replied that he had been criticising the share-cropping system, for which the only proper term was the word peonage.

Concerning more democratic measures in Tunisia he had never suggested, nor had anyone, that there should be a single Chamber of Parliament. All the Arabs with whom he had spoken had been thinking about the present arrangement of two Chambers, one Arab and the other French, so that the swamping mentioned by the speaker could not occur. The question as to what would happen when the two Chambers disagreed had never been raised. He had not wished, in any case, to criticise the French for not granting all the Arab demands straight away. His criticism had been primarily of their neglect of education. The great objection to giving a more universal vote to the Arabs was that most of them were illiterate, but this objection was against the French because it was they who had owned the country for nearly sixty years. The present Arab school population was just forty-five thousand, and there were four hundred thousand Arab children who were not at school. He realised, of course, that the figures for India would be much worse.

He was surprised that the French in Paris seemed to be relying on the Tunisian army. That had not been the view of the French officers in Tunisia, because they had a very poor opinion of the native soldiers.

MR. GEOFFREY MANDER said that he understood that the French thought that the Italians would stir up some local trouble in Tunisia

and establish a *fait accompli*; then inform the French that they could start a world war if they thought it worth while. What would be worth seizing in this way in this part of the world?

MR. BRAILSFORD replied that he thought Pertinax's suggestion was as good as any other, that the Italians would seize Djibouti; this would be a very easy thing for them to do. In Tunisia he imagined that they would distribute arms among the Arabs. This was being done at present. He had had some talks with Italian officials when they had shaken their heads in a very meaning way when he had spoken of the Arabs' loyalty to France, and had said that they would tell him a thing or two about that, but they had never said anything.

VICE-ADMIRAL DRURY-LOWE asked the number of the Italian troops in Libya. Were there large numbers on the frontier between Libya and Tunisia, or were there more on the Egyptian–Libyan frontier?

MR. BRAILSFORD replied that he thought that there were now about seventy thousand Italian troops in Libya, which was well over the figure to which they had agreed to reduce them. A suggestion had been made that now there were also German troops there. He did not know how they were distributed as between the Tunisian and the Egyptian frontier. He had been amazed at the military traffic on the strategical roads at night. He had been about two hundred kilometres along the coast from Tripoli and had passed a steady stream of military lorries and trucks. The Italian authorities had not been very confidential, but he had spoken with a Swedish journalist who had spent an evening in the mess of one of the crack Italian regiments where he had said that the officers spoke the whole time of the imminence of war against Tunisia.

QUESTION: Would the fortification of Pantellaria affect the value of Bizerta as a strong naval base?

MR. BRAILSFORD said that the fortification of Pantellaria must affect the value of Bizerta considerably. He had spoken to people in Malta who had made light of it, but this was the type of dope always handed out to a journalist whom one did not know personally. Pantellaria as a submarine and hydroplane base was a threat both to Malta and to Bizerta. He had spoken with both British sailors and soldiers, chiefly the latter, and they had seemed to think that it was the business of the French.

MR. ROBERT STOKES said that the island of Pantellaria had a small mountain and on the top of the mountain a lake. The Italian military authorities had not allowed any foreigners up there for a long time, but he had spoken with a man who had climbed up there before it had

become a military centre and who believes that the lake could be used as a sea-plane base. Also, stretching from Sicily to Tunisia under the seas was a range of mountains known as Adventure Bank, which forced all submarines to the surface, and this increased the ease with which the channel between Sicily and North Africa could be made into " a kind of Gibraltar."

The long-term credits given to Italian settlers in Libya illustrated the difference between long-sighted finance and short-sighted finance in colonial development. If the democratic countries were to stand up to the new and long-sighted financial methods of the totalitarian States they must find some method of associating finance and government so that government might give finance a long-sighted view.

MR. W. NORMAN EWER (in the chair) said that he had not been in Tunisia for a year, but he had recently visited Morocco, and he felt strongly with the second speaker the similarity of the problems of Tunis, Algeria, Egypt, Morocco, in fact the whole of North Africa. There were differences certainly, but right along the coast there was taking place a big experiment which was so far unique in the history of the world, and was far more important than the squabbles of the different Powers holding different pieces of North African territory. Throughout North Africa there was the impact of European government, European settlement, on a people having an economic system much below the European system, and yet a culture, a tradition and a sense of nationality quite as strong as that of Europe. This had never happened before. European races had conquered backward races, but in this territory French and Italians had settled among the native races and were competing with them in the towns in all the small occupations. The only thing comparable in British experience was the case of Palestine. This condition and its evolution was one of the historically important happenings of the time.

The decrease of population in Libya under Italian rule had been mentioned. There was an equally important problem in the fact that the native population was rapidly increasing under French rule. He had raised the problem of refugee settlement in this part of Africa with French officials, and they had replied that they had a great deal of undeveloped and fertile land suitable for settlement, but ten years ago the population had been five millions, now it was eight to nine millions, and in twenty years' time it would probably be twenty millions, and they felt that they dared not take any more immigrants of any kind. The problem of this growing population and the impact of Western civilisation upon it would be one of the problems of the world long after the conflict between Fascism and Democracy was resolved.

THE SUEZ CANAL.[1]

SIR ARNOLD WILSON M.P.

THIS address is an essay, not in advocacy but in exposition, relating to a subject which I was studying long before it became topical. It is one of several international issues in which diagnosis should precede diatribes, and which need analysis rather than anathemas.

The Suez Canal, viewed as a commercial institution, is a typical example of a vested interest, wholly beneficent in its origins, which has been unable, for various reasons, to modify its constitution to meet changing conditions, and in politics and commerce, as in biology, whatever has lost the power to change has lost the power of adaptation to circumstances and is in danger of extinction. Like a weak and ill-governed State, the processes of decay menace the well-being of its neighbours and their peace of mind.

I begin by a series of comparisons between the Suez and Panama Canals with no invidious intention, but primarily to show the difference between an almost ideal mid-nineteenth century organisation and one belonging to the twentieth century. Both are classic examples of engineering works which have altered the course of history as well as of trade.

The Suez Canal was opened to traffic in 1869, the Panama Canal in 1914. The Suez Canal is owned and controlled by a commercial company, incorporated and domiciled in Egypt, subject to Egyptian laws and customs, under a concession from the territorial government, confirmed by Turkey as Suzerain Power. The Panama Canal is owned and controlled by the United States Government, who constructed it, and maintain it, in virtue of a series of international treaties; it is subject to American law.

The Suez Canal is 100 miles long, the Panama Canal 50 miles long. The one is at sea level, the other rises by three locks at each end to 85 feet above sea level. The former cost £30 millions to build, the latter £75 millions: the cost of maintenance is in

[1] Address given at Chatham House on March 7th, 1939; Lieut.-General Sir Ronald Charles, K.C.B., C.M.G., D.S.O., in the Chair.

the same proportion. The ends of both canals are joined by a railway. The Suez Canal is open to the commerce of all nations in peace and in war, if they can reach it, on payment of the authorised dues: and it is unfortified. The Panama Canal is a fortified zone under the military occupation of the forces of the United States Government. It is a foreign enclave in the State of Panama which was detached from Colombia by Theodore Roosevelt by means which Central and South American States do not allow themselves to forget. The strategic security of the United States was invoked as a compelling and sufficient reason. The Suez Canal is wholly under the authority of the Government of Egypt. The Panama Canal zone is governed by an official appointed by the President of the United States of America, whose salary of £2500 a year is less than that of any one of the 32 Directors of the Suez Canal who divide 2 per cent. of the net profits between them and distribute 2 per cent. among the staff as a bonus.

Suez Canal dues are higher than Panama Canal dues by about 30 per cent. per net ton of shipping passing and by about 40 per cent. per ton of cargo carried.[1] Between 1922 and 1932 the net canal expenses of the Panama Canal were about 27 per cent. of the canal revenue: Suez Canal net expenses, on a comparable basis about 19 per cent.—excluding non-canal items such as civil government, health services, etc., on either side.

The Panama Canal to-day pays its way, but makes no profits. The Suez Canal has paid 50 per cent. for the past three years and has not paid less than 25 per cent. for half a century.

The Panama Canal has been a powerful instrument for promoting the trade of the United States: it has diverted a certain amount of trade from the Suez Canal. From London to Sydney the Suez Canal route is only 28 miles shorter: from London to Wellington the saving by Panama is 1077 miles: New York is nearer Manila via Suez by 180 miles: Shanghai is nearer London via Suez by 219 miles. Mombasa is 2348 miles nearer London via Suez: Beira only 290. For Indian ports the Suez Canal is the shorter route by 3600 (Calcutta) to 4700 miles (Karachi). The Suez Canal is shorter than that via the Cape for ships from United Kingdom ports in the case of Adelaide, Sydney and Melbourne by about 900 miles. For these ports the Cape route is thus definitely cheaper, though longer by three days. In the case of Auckland and Wellington, the Suez route is shorter by

[1] For full details see *Journal of Royal Society of Arts*, June 9th, 1933, "The Suez and Panama Canals."

700 miles. But not long ago tankers from the Dutch East Indies and the Persian Gulf were going by the Cape—3700 miles extra—to avoid dues. The Suez Canal dues at their present rates constitute in practice a substantial subsidy to Japanese trade in Eastern waters.

The East African Section of the London Chamber of Commerce noted in 1933 that the Canal dues amounted to a 10 per cent. *ad valorem* tax on East African sisal and a severe handicap on British exports to East Africa in competition with Indian and Japanese goods.[1] The Liverpool Chamber of Shipping under the presidency of Sir A. Holt has been equally critical of the high level of dues.

The building of the Panama Canal involved the severance of the Canal zone, first from Colombia and, later, from the Republic of Panama. But for the Suez Canal Egypt might still be part of Turkey. Indeed, Palmerston's reluctance, and that of the Sublime Porte, to accept de Lesseps' plans in the 'fifties arose from the conviction that it would be fatal to Turkish sovereignty on the southern shore of the Mediterranean. Lord Palmerston declared in the House of Commons that the Canal would be profitable to French but inimical to British interests. This statement greatly assisted de Lesseps in obtaining capital in France. Palmerston's views were supported in Parliament by Robert Stephenson, an eminent engineer. Lord Palmerston's views are summarised in a holograph note at the Record Office on a despatch of Lord Cowley dated October 13th, 1859 :

> "There are three authorities adverse to the execution of this scheme. The English Government, the Turkish Government and Nature. The two first are not likely to change their views, but the third will be found inflexible."

The note indicates what a heavy responsibility rests on the British engineers who had advised him.

But the Turkish Government, though it withheld approval, did not actively prevent work on the Canal, which began in 1859; de Lesseps had Austrian and Russian as well as French support, and played his cards magnificently.

The action of France in converting Bizerta, at the narrowest point of the highway, into a naval base showed us in the 'nineties how difficult it would be for us to keep the Mediterranean route open. France had given repeated assurances to Italy that she would never fortify Bizerta : but she did so soon after Tunis fell

[1] Resolution of June 1933.

into her hands. The price of our silence was French acquiescence in the lease by Britain of Cyprus. The action of Italy in fortifying Pantellaria is a tardy reply from the other side. These are matters of history, but they are remembered in Egypt and explain the determination of the Egyptian Government to become owners of the Canal when the present concession expires in 1968 and to admit no renewal or extension of the Company's mandate.

Not even international politics gave de Lesseps so much trouble as finance. But for his friend Saïd Pasha's noble purchase of almost half the shares offered, the Company could not have gone to allotment. De Lesseps offered to sell the Canal to the Maritime Powers in 1871. His offer was coldly received, though Lord Derby favoured transfer to an International Commission, to be managed as a Public Utility in the public interest. The Sublime Porte refused, preferring that Britain herself should own it. De Lesseps came to London to make a bargain: Mr. Gladstone would not discuss the matter.

Germany might have taken the French shares as part of her indemnity, but preferred gold.

De Lesseps tried to raise a loan in London, but received no encouragement. Then the tide turned. Saïd Pasha's successor, Ismaïl Pasha, had squandered nearly £100 millions in thirteen years: the Suez Canal shares were his only saleable asset. Disraeli bought them, to Gladstone's dismay. "Is our real hold over the Suez Canal in war-time any other than our maritime superiority in the Mediterranean?" he wrote to Granville. "Would Egypt make any real addition to it? If not, then the holding of it would be a new military responsibility, a burden, and an evil."

Disraeli did not realise that in buying 46 per cent. of the shares Britain did not get a proportionate measure of control: for, under the Articles of Association (still in force) no shareholder could have more than ten votes.

The years passed; the Canal prospered; it was widened and deepened and furnished with every modern aid to safety and speed. The shares were yielding 25 per cent. when de Lesseps proposed that any surplus revenue after paying this 25 per cent. should be devoted to reducing dues: the proposal was coldly received. Ship-owners protested; their pleas were not heeded; the Directors replied that they were not a philanthropic body: their duty to the shareholders required them to charge what the traffic would bear even if some shipping was diverted to the

Cape route. In the 'eighties, British shipping totalled 75 per cent. of all tonnage passing through the Canal: to-day it is 46 per cent. Italy (18 per cent.) and Germany (8 per cent.) are unrepresented on the Board: that is a small matter, though a directorship on a company whose Statutes require it to divide 2 per cent. of its profits among 32 directors is not to be despised. Ten are British; one is Dutch; Egypt has two, and may receive further directorships. The rest are French.

The Statutes of the Canal Company require that the Directors should be drawn from the countries principally interested in the Canal. If, as one may suppose, the word "interested" had reference to the distribution of shares, there is no legal ground of complaint in the present system of appointing Directors. Of the ten British Directors three are nominated by the Treasury; seven were originally chosen by a London Committee to represent merchants and ship-owners. When one of the seven dies the survivors nominate his successor. The arrangement is unique, and anomalous, for they have no real claim to sit except the Treasury shareholding and, whatever else they represent, they do not represent the Treasury. India, the Dominions of Australia and New Zealand, the Colonies, Protectorates and mandated territory of Tanganyika are interested in the Canal, but they have no representation.

The remaining Directors, save one representative of Holland and two Egyptians, are French, but if Egyptian representation is increased, the number of French (but not of British) Directors will be reduced. In present circumstances there is little room for Directors representing other than French, Egyptian or British interests save by reducing the number of British Directors. But in no case would this really help the cause of reform, for the new directors would be in a small minority and the Treasury shareholding of 353,504 shares out of 800,000 entitles British subjects to almost as large a representation on the Board as French citizens.

Through the Canal some 6,600 ships pass every year with a net tonnage of 36½ million tons. 46 per cent. are British, 18 per cent. Italian, 8 per cent. German, 6½ per cent. Dutch, 5 per cent. Norwegian, 4¼ per cent. French, 3½ per cent. Greek, 2⅓ per cent. Japanese, 2¼ per cent. Danish. The dues are based on tonnage, with a special tax on passengers, and are levied in gold francs. Ships in ballast pay half rates, but few vessels, other than tankers, can take advantage of this concession, which is very strictly interpreted. When a ship is on a long voyage, to the Far East

for example, Canal dues form a smaller proportion of the gross costs than in the case of short voyages. It follows that they bear heavily on Italian vessels going to and from Ethiopia: on a cargo of British coal for Port Sudan from Cardiff they may be equal to 30 per cent. of the f.o.b. value of the coal at Cardiff, and the Chairman of the Orient Steam Navigation Company stated recently [1] that Suez Canal dues absorbed 13 per cent. of the gross revenue from passengers for the year, and in one case 47½ per cent. of the gross earnings on a six weeks' trip. For Italian ships, mostly on short runs, the burden is proportionately much greater.

These facts underlie the demand of certain maritime Powers, long in the background but not yet formulated, for a re-examination of the international status and commercial management of the Suez Canal. Before examining these demands students of affairs will do well to bear in mind a few salient facts. First and foremost is the justifiable *amour-propre* of the French people in all that concerns the Canal. It is the creation of a great Frenchman, Ferdinand de Lesseps, whose last years were saddened by his failure to repeat his triumph in the Isthmus of Panama. It was built by French and Egyptian capital in almost equal proportions. It was started against the advice of the best British engineers and completed in spite of the strenuous opposition of British statesmen. Whilst 46 per cent. of the shares, bought by Disraeli from Saïd Pasha's successor, are in the hands of the British Treasury, almost all the remainder are held by French citizens. The management of the Canal is almost exclusively French, so far as it is not Egyptian, and, whilst it has been criticised, not without justice, as extravagant, is unquestionably efficient.

Nor should Egyptian *amour-propre* be under-estimated. In less than thirty years' time the Canal will become the property of the Egyptian Government and people, who remember that it was made with the (often forced) labour of their hands, and largely paid for with their money. They will never accept any arrangement which deprives them of some, at least, of the fruits of the almost accidental location in their territory of this other great isthmus between two continental land masses. They are not willing to contemplate the separation of the Canal zone from Egypt—as the Panama Canal zone was detached from Colombia. That is perhaps why Zaghlul Pasha, when Minister of Justice, said in the General Assembly on March 16th, 1910, that when

[1] *The Times*, November 16th, 1938.

the concession expired Egypt would probably have to make the passage of the Canal free and forgo direct profits. The Egyptian Government have recently obtained the right to nominate one-third of the Board of Directors and the Canal Company has promised to provide more scope for Egyptians in the Administration. The appetite thus created will certainly grow.

So much for the facts. What are the desiderata of Italy, backed, we may suppose, by Germany and supported, perhaps, by one or more of the other Mediterranean Powers? They are of three kinds—commercial, political and strategic. On commercial grounds Italy desires a drastic reduction of dues: she points to the dividends of 50 per cent., to great salaries allowed to Directors and officials and to reports of very lavish expenditure in many directions. Is it fair, ask her spokesmen, to allow an international highway to remain under the control of a commercial company, which sits astride it and levies a toll, over and above expenses, which handicaps the trade of all Europe in competition with that of Japan in Eastern markets and takes a heavy toll on Ethiopian as of all East African produce?

Italy, as a signatory of the International Convention of 1888, doubtless desires some overt and practical reaffirmation as to the validity of that document, which provided that the Canal should be open to the ships of all nations, including ships of war, at all times and in any circumstances. This is no new thesis. It was energetically maintained in 1877, when England warned Russia that neither Turkey nor Russia would be allowed to blockade or invest the Canal. It was upheld when the Russian Baltic Squadron passed through the Canal in 1904 in order to engage Admiral Togo's fleet. It is so well established that it should not be difficult to reaffirm it, but the suggestion, made in 1935 and frequently since then, that England should have used her position in Egypt to induce the Egyptian Government to require the Canal Company to deny passage in 1935 to Italian vessels has made it desirable, from the Italian point of view, to reaffirm the freedom of the Canal in peace and in war. Nor need we hesitate to do so. Speaking in the House of Commons on July 23rd, 1883, Mr. Gladstone said:

> "We will not be parties to employing influence which may attach to our temporary and exceptional position in Egypt, for the purpose of securing any abatement of any right lawfully enjoyed. . . . We cannot undertake to do any act inconsistent with the acknowledgement that the Canal has been made for the benefit of all nations at large, and that the rights connected with it are of common European interest."

It is important to bear in mind that the Canal has never been "neutralised." That status requires an international agreement: the Convention of 1888 "universalised" it. As Egypt's ally English troops hold certain defensive positions in that country, but their presence does not affect the validity of the International Convention of 1888. As a Mediterranean Power, with a large (and law-abiding) resident Italian population, it is clearly to the interest of Egypt to meet these Italian desiderata so far as is possible without affecting her independence and her treaty obligations. There are difficulties, but they are not insoluble.

The strategic position, from the Italian point of view, of the Suez Canal, is that it is one, but only one, of several vantage points held *de facto* by or for England. Italy's strategic ambitions are decided by and are dependent upon her political attitude. If the Canal is in the future, as in the past, to be a free corridor for all belligerents, this is presumably all she requires.

On what lines can an agreed and lasting settlement be sought? Not, certainly, in seeking to maintain the present situation until, by efflux of time, the concession expires in 1968. Not by a petty redistribution of shares or otiose directorships. Not, I hope, by a vague formula which hides the real difficulty and defers a settlement for a time, with the certainty that it will become more difficult to achieve.

The key to the puzzle is in Egyptian hands, but it can be used only if they, the French and the English Governments agree. The Egyptian Government could do now what under Article 19 the League should have done long ago; viz. summon an international conference—as in 1873 when tonnage rates were at issue—and with Anglo-French concurrence take over the Canal, buy out the shareholders and manage the Canal, with the assistance of the existing highly efficient French and Egyptian staff, as a Public Utility, under the general control of an International Advisory Board.

This is but to revert to a proposal made by Lord Farrer at the Board of Trade, fifty years ago, when he suggested that the Canal should be placed under a European Commission for purposes of management. "Complications and difficulties," he wrote, "will be endless, so long as this great highway of nations remains in the hands of a private company." Only the Sublime Porte, and Mr. Gladstone, stood in the way of this solution.

Alternatively, the Suez Canal Company's place could be taken by a new Corporation in which the Egyptian Government

would have a controlling interest, subject to a self-denyi ordinance as to profits, and to the vesting of administrati responsibility in an International Board representing the princip users. Such a policy will entail financial loss, to be made go by somebody, represented roughly by the difference betwe the present value of the shares and their par value, *less* t reserves of the Company, which are very extensive, and *le* the sums payable by the Egyptian Government to the Compa under Article 15 in respect of *matériel et objets mobiliers*. T total sum might be as much as £15 million, but this is a me guess. It would be a cheap contribution to international justic In any case the time has passed when a commercial compan however efficient, can sit astride an international highway a levy tolls, regardless of the commercial consequences and of t political repercussions of its activities.

Dues should be calculated in future on a basis of servic rendered, viz., of draft, or of cargo carried, or of both. T present system is unduly onerous on passenger and on light laden ships. The problem is thorny, and discussions must necessity reveal many divergent claims and interests, but th is all the more reason why it should be tackled in good time.

The government of the world, said Disraeli in the House Commons on February 9th, 1876, with reference to complain then being made against the Canal Company,

> " is not a mere alternation between abstract right and overwhel ing force. . . . The world is governed by conciliation, compromi influence, varied interests, the recognition of the rights of othe coupled with the assertion of one's own, and, in addition, a gene conviction, resulting from explanation and good understanding, th it is for the interest of all parties that matters should be conduct in a satisfactory and peaceful manner."

That was said six years after the Franco-Prussian War, t years before the Congress of Berlin: it doubtless seemed optimistic to his hearers as it seems to us to-day. But t event proved that he was justified in his hopes; for the Congr of Berlin put an end to war on European soil for thirty-six yea

De Lesseps, above all Frenchmen of his generation, soug settlement by agreement: the Canal meant more to him th profits. He was a financial genius but also a philanthropi who worked single-mindedly for his fellow-men. Were he livi to-day I believe that he would be foremost in seeking such solution as I have outlined, and I believe he would succeed.

Summary of Discussion.

SIR IAN MALCOLM said that for a great many years he had studied with respect and attention all that the lecturer had said or written on the subject of the Suez Canal. Incidentally, he was a Director of the Suez Canal Company. He had had an uneasy but ever-recurring feeling that the former had a deep-rooted hostility to the Canal, to its workers and its work; he considered their dues excessive and exorbitant, yet it had been said at the last meeting of the British Chamber of Shipping that the Suez Canal dues were not only just but generous, and in their report for 1938 the same view was expressed in similar language.

The lecturer, also, had not seemed to appreciate the Suez Canal as an essential military and commercial highway for Great Britain to her Dominions and possessions in the East and Far East and in the Southern Hemisphere. He had not stated it that evening, but had been responsible for a proposal in writing to place on the Board of the Suez Canal Company directors who would be members of the Rome–Berlin axis, mainly Italians. He could say that had such members been on the Board during the crisis of September 1938 it would have constituted a very grave danger to the Suez Canal and to the British Empire. Any such proposal, therefore, would meet with the strongest opposition not only from the French, who had constructed and who maintained the Canal, not only from the Egyptians, who were the ground landlords of the Canal, and who would very likely be its owners in thirty years' time, but also from Great Britain, who was under treaty to defend the Canal for Egypt and in her own interests and the interests of the peaceful trade of the world.

The Italian claim to have directors on the Board of the Canal was based on a certain percentage of traffic going through the Canal and had only been mooted since their Abyssinian adventure in 1935. In 1934 the Italian traffic passing through the Canal had amounted to 6 per cent. of the whole. In 1935 when the war had started it had gone up to 18·5 per cent. In 1937 it had gone down to 16·5 per cent. and in 1938 to 13·5 per cent., a descending scale of percentage which would be likely to continue certainly in 1939 and 1940. It did not give any prima facie reason for believing that the Italians were suffering an injustice in not having a director on the Board of the Suez Canal. Furthermore, the idea that the user of a certain percentage of any particular commodity should automatically have a seat on the board of management would lead in rather an odd direction; for instance, France and Belgium had more than fifty per cent. of the traffic into Dover Harbour, yet they had not asked for a seat on the Dover Harbour Board. Great Britain owned between 25 and 30 per cent. of the traffic passing through the Panama Canal, yet she had not asked for a seat on the Board, and would not get one if she did. Therefore the dwindling amount of Italian traffic passing

through the Suez Canal did not give them a claim to a seat on the Board of that Canal.

Undoubtedly the dues of the Suez Canal were high, but he claimed with the British Chamber of Shipping that they were not excessive. They had been reduced progressively since the end of the Great War from 8·50 gold francs per ton to 4 gold francs per ton in 1938, a reduction of 50 per cent. in the last twenty years, and those reductions had cost the British Government in revenue not less than £6,200,000. The tax-payer should be told this when he was invited to say that the dues of the Canal must be reduced. The British Government paid so much towards that reduction and the money would have to be found elsewhere and out of other pockets. In April 1937 the dues had been reduced by another shilling and, until the end of the year 1937, this had cost the British Government £850,000. On December 15th last they had further been reduced by threepence, and that had cost the British Government in 1938 to date £177,000. A great reduction in the expenditure of the Canal had been made in the last few years, but it was still found necessary to spend nearly a million a year on its upkeep and very nearly the same amount on the wages of the three or four thousand men working on the Canal, who with their dependents numbered some twelve thousand souls. High but not excessive wages were paid to the small army of experts in Paris and on the Canal between Port Said and Suez. A large sum was paid annually to the Egyptian Government, about £300,000 a year; the remainder was paid to the shareholders, the largest of which was the British Government, who in spite of all the reductions still managed to make about £2 million a year.

In a reply of ten minutes to a lecture of an hour, many points raised must remain unanswered for want of time and not because of their wanting in importance. The speaker hoped that the subjects to which he had referred, however, indicated a different aspect of Suez Canal affairs from that represented by the lecturer.

A MEMBER asked whether the lecturer did not think that in the event of an international committee being set up to run the Suez Canal there would not be the same squabbling and inefficiency as had characterised the League of Nations.

SIR ARNOLD WILSON replied that he had never suggested displacing the very efficient French staff who at present ran the Suez Canal. As to international management, in spite of the many nations squabbling within the League of Nations there was no more efficient body than the I.L.O.

MR. PHILBY said that he agreed with the ideas put forward by the lecturer. The latter had not had time to mention all the things which would be found in his book, which was one of the most valuable contributions on the subject of the Suez Canal ever likely to be written,

and although highly critical, very accurate. Of course, there were always two sides to every question, in this case the side of the shareholders and directors and that of the general public. The first speaker in the discussion had given the point of view of the former, the lecturer of the latter. It did not matter to the world at large whether the directors continued to receive their emoluments, or whether the shareholders continued to get exorbitant returns for their original investment. The first speaker had mentioned the sum lost by the British Government when reducing the dues of the Canal by threepence. The lecturer, in his book, had said that they had made 46 per cent. on their investment, but this did not make the situation quite clear. The British Government had invested roughly £4 million in the Suez Canal in buying 46 per cent. of its shares. The amount she had made up to 1932, according to the lecturer's book, was £43 million on an investment of £4 million. Probably the figure would now be somewhere in the neighbourhood of £55 or £60 million. As the British Government was making this huge profit out of an investment, made unwillingly as a matter of fact at the time, why did it not use some or all of those profits to give relief to British shipping passing through the Canal?

The lecturer had not brought out the essential difference between the Panama Canal and the Suez Canal, which was that the former was not open to the use of belligerents while the Suez Canal was. The Americans could have made profits on warships passing through the Panama Canal had they wished to do so. Their only reason for not doing so must be that they considered this to be wrong. There could be no other. But when a belligerent broke the laws of the League of Nations by committing aggression he was allowed to use the Suez Canal with the free permission of the civilised world because this paid dividends. This permission was included in the articles of the Canal, but it could have been rectified after the Great War when the League of Nations had come into being. Instead of this the reverse had been done, a fixed statute had been made out confirming the fact that the Suez Canal would be open at all times to all aggressors.

In thirty years' time the Canal would pass into the possession of Egypt and it was to be hoped that she might reverse this decision to allow belligerents to pass through its waters; on the other hand she had as much right as Great Britain or France to make a profit out of the Canal, and this was laid down in the Articles of Convention.

Vice-Admiral S. R. Drury-Lowe remarked that the Panama Canal was fortified while the Suez Canal was not. In the Anglo-Egyptian Treaty of 1936, Article 7, the Egyptian Government undertook to furnish aid to Great Britain in the event of a war which should include the use of the ports. Of course it would be of great advantage if those ports were fortified. In the Suez Canal Convention of 1888 the High Contracting Powers had agreed to prohibit any act having

for its object the obstruction of free navigation of the Canal or its ports of access. If this was so was it impossible to fortify either Port Said or Suez?

Sir Arnold Wilson said that in his opinion there was nothing to prevent the territorial Power, Egypt, from erecting such fortifications as it saw fit in its own territory. It would not, of course, be open to the Suez Canal Company itself to erect fortifications.

A Member said that it was interesting to remember that the Quarantine Administration had for many years had an international commission, and last spring this control had been handed back to Egypt.

Mr. C. G. Hancock asked whether it was quite clear that Egypt wished to take back the Canal in thirty years' time, having regard to the fact that she would have to pay for the improvements which had been made up to that time?

Sir Arnold Wilson said he had every reason to believe from declarations made by the Egyptian Government that they did wish to receive back the Suez Canal in due course on due date and they would not have to pay for improvements. Their relations with the Canal Company were not only correct but cordial, and there was no reason to think that they would wish to anticipate it unless as part of a general settlement in Europe and the Mediterranean, in which the question of the Canal would no doubt play an important part.

Rear-Admiral H. G. Thursfield said that concerning the suggestion that it would be wise to amend the instrument governing the Suez Canal so that passage should be refused to certain belligerents, it was placing too great a responsibility upon the Suez Canal Company, upon any other authority which might take over control of the Canal, or upon the Egyptian Government to expect them to carry this out. During the past few years an Assembly of nearly all the nations at Geneva had been unable to act effectively upon those lines; obviously it would not be fair to place the burden of doing so upon the shoulders of any lesser authority.

The first speaker in the discussion had suggested that great danger would have arisen had there been Italian directors on the Board of the Suez Canal before 1935. He asked what that danger would have been; for himself, he did not believe that there would have been any such danger.

Mr. Ivor Thomas said that he found himself in a dilemma. The lecturer had made out an impregnable case on purely commercial grounds. The directors on the Board of the Suez Canal were too numerous, their remuneration was on too generous a scale, and the dues charged were undoubtedly onerous. To the argument that the

receipts from the Canal relieved British taxation, and that the British Government had lost money by the reduction of the dues, the answer must be that traffic was being driven away from the Canal by the present dues, and if they were lowered still further the British Government would probably benefit on the whole owing to the increase in traffic.

But the question could not be settled on purely commercial grounds. It was bound up with the success or failure of the whole policy known as appeasement. If a long period of settled peace with Italy was assured, or if it could be promoted by giving Italy seats on the Board of the Canal, then this should certainly be done, but if there were going to be a period of tension with Italy it ill-behoved any British citizen, and particularly any member of Parliament, to suggest that she should be given anything which might strengthen her position vis-à-vis Great Britain.

The question whether the Canal should be closed to belligerents was rather academic. There was nothing in the instruments governing the Canal to prevent the British Navy taking up its position at the mouth of the Canal and so preventing the fleet of any other country from entering. In a war in which this country was directly involved, as in 1914–18, an enemy fleet would certainly not be allowed to make the passage of the Canal. The question became more acute in the case of sanctions under the League Covenant. He suggested that in the Ethiopian dispute the Covenant should have been regarded as over-riding the Convention of Constantinople, because it was provided in the Covenant that any engagements inconsistent therewith should be considered as automatically abrogated, and surely this applied also to engagements inconsistent with the working of the Covenant.

MR. G. SCHEELE said that he had been interested in the statement made by the lecturer that the high dues charged by the Suez Canal Company increased Japanese competition with British exports in eastern markets. He asked whether in the event of the dues being lowered, the converse would be true and Japanese competition in the Mediterranean and European markets would be increased, because the costs of the dues were of a fixed character and thus proportionately heavier in their incidence on the Japanese who had lower running costs than had British shipping.

SIR ARNOLD WILSON said that Japanese ships were only 2⅛ per cent. of total tonnage using the Suez Canal and Japanese imports into Europe were far less in competition with European merchandise than was European merchandise in the Indian Ocean and the adjoining markets mid-way between the two in competition with Japanese goods. There was relatively little competition at either end but a great deal in the middle. In any case British, Italian, German, Dutch and European shipping of all kinds made about 92 per cent.

of the traffic through the Canal, while Eastern shipping, Japanese, Chinese, etc., only accounted for 3 or 4 per cent.

It was true that the question of closing the Suez Canal to belligerents was largely academic, for *inter arma silent leges*. It had never concerned us whether or not there was a strong juridical case for establishing a blockade outside the three mile limit. It had been done and done successfully, and it mattered little that an imaginary tribunal might, by a majority vote of eight to seven, decide that such action was illegal. He knew of no case where a treaty had been abrogated under the Covenant of the League of Nations. The Article quoted had not been put into use.

The lecturer regretted that Sir Ian Malcolm had never published anything in refutation of the lecturer's heretical views. He had begun by making a speech, then had written numerous articles and finally and in despair had written a book, but he had failed to elicit any comment or reply from Sir Ian Malcolm or any British director; though the Marquis de Vogué (President of the Company) had said that the book was " un monument de malveillance et d'erreur." This was strong language, but as the Marquess had also stated that the book was an electoral trick the speaker (Sir A. Wilson) had freely forgiven him ! seeing that it was written long before he entered Parliament.

Sir Ian Malcolm had impressed upon the audience that the Mediterranean in general and the Suez Canal in particular were essential as a highway for the British Empire. This view was open to question. During the Great War, although Italy had been our ally, almost half of the mercantile marine ships sunk under the British flag had been sunk in the Mediterranean. It was a most difficult sea to police and it was doubtful whether its use would be desirable in a future war. The British Empire had been at its strongest before the Suez Canal was built. It seemed to have been on the verge of collapse ever since 1870. The lecturer had been brought up, like his father and grandfather before him, to anticipate in his own life-time the final collapse of all he held dear, and he had no reason to think the position any better or worse to-day than when he had been a small boy ! He did not think the Suez Canal essential to Great Britain in anything like the same degree as before 1914, but we should continue to regard the Mediterranean as as much our *Lebensraum* as anyone else's.

He did not think that there was any real danger to be feared from foreign directors on the Board of the Suez Canal Company. There was a German Director in 1914. There were many great Companies all over Britain with foreign directors on the Board, as in Germany and elsewhere abroad. The Directors should not be confused with the Direction, and it would be very unfortunate if no steps were taken towards creating better understanding lest such steps should prove " dangerous " in a hypothetical future. He had not recommended a petty redistribution of directorships as a means of securing appeasement. He had put forward a suggestion in 1931

which had been published in 1932 recommending an international directorate such as had been clearly contemplated by the Articles. To-day he thought the position had gone beyond even this.

It was true that Great Britain had no representation on the Board of the Panama Canal, but there was no company and therefore no Board. The Panama Canal was owned by the territorial government, the United States of America. There would be no Board when Egypt took over the Suez Canal, though there might be an advisory Council to advise the Egyptian Government in the very difficult task of administration.

Concerning the statement that the dues of the Canal Company were not only just but generous, ship-owners to-day were asking for a subsidy which was nearer £25 millions than £5 millions a year. To call any Company generous which could offer a dividend of 50 odd per cent. to its shareholders was to deny the possibility of profiteering in any form. A very different tale might be heard from the merchants who had to compete with Japanese and Indian goods. More than half Great Britain's African trade had been lost, and trade was being lost in every direction owing to the high freights. Whatever the British Treasury made each year out of the Canal, and he thought it was about two and a half millions, it was much less than she had to pay in subsidies to ship-owners. It was true that there had been progressive reductions in the dues, but the first speaker had taken them at their highest point immediately after the War. A reduction in gold francs might mean little or no reduction in terms of our depreciated currency. It would be interesting to know what actual reduction had been made in the terms of sterling and lire. The British Treasury had always said in reply to questions in the House of Commons that they would consent to any reduction agreed upon by the other shareholders.

Reference had been made to the correct attitude of the United States Government in closing the Panama Canal to belligerents. The lecturer wished he could take as optimistic a view of the motives which had inspired Theodore Roosevelt. He had not been a philanthropist. He had fomented a revolution in Panama, in order to get her away from Colombia. Having done this he had demanded a concession placing the Canal zone under complete American sovereignty from one end of the Republic to the other. He had then built the Canal, fortified both ends, saying that American ships could go through at all times and in all circumstances, if need be for nothing, which had caused other countries to claim that this was a breach of international law. He had then said that it would not be open to belligerents, but if America were at war her fleet could go up and down the Canal continually and so could the allies of America whether at war or not. To ask the Egyptian Government to take the responsibility for closing the Suez Canal against all shipping (including British) would mean the extinction or supersession of the Egyptian Government in time of war.

REVIEWS OF BOOKS

Any book reviewed in this Journal may be obtained through the Publications Department of the Institute. Members of the Institute wishing to cable an order may use, instead of the title of the book, the number which it bears, e.g., "Areopagus, London: Send Book Twenty May Journal: Smith."

Books marked with an asterisk (*) are in the Library of the Institute.

POLITICS AND SOCIETY

1*. UNION NOW. By Clarence K. Streit. 1939. (London: Jonathan Cape. 8vo. 414 pp. 10s. 6d.)

BRINGING us, as he does, a serious project for securing peace in the world, Mr. Streit is entitled to a respectful hearing. His book, indeed, may set men thinking and acting to great ends—or it may slip into the limbo of many a kindred conception, from Sir Thomas More's to Aristide Briand's. The argument is clear and comprehensive, though it suffers from the besetting sin of most enthusiasms, prolixity. The League of Nations, says Mr. Streit, has failed; it was slow and hesitant; it was shackled by the unanimity rule; it had no coercive power; and membership involved the impossible rôle of judge, jurymen, and criminal in one. But *any* League is bound to fail, because its unit is the State and not the individual; which means that the integrity of the State is preserved, national sovereignty is emphasised, and absolutism results.

The only remedy is to scrap the League and to work for Federation. If the thirteen original States of America could federate, why not the fifteen democratic States or groups of our modern world? And from that analogy Mr. Streit builds up a Union of the United States, the British Commonwealth, France, Scandinavia, Switzerland, Holland, and Belgium. Its essentials would be equality of citizenship, a common defence force, a unified currency, complete free trade between its members, and a common system of posts and communications. Of such a Union the power would be irresistible; and its members would obtain security, military and economic disarmament, and monetary stability. Other nations would be free to enter the Union, on the one imperative stipulation that they adopted a Bill of Rights, which would of course exclude our present dictatorships.

The picture is impressive, and Mr. Streit fills it in with broad brush and vivid colours. But there are cracks and even rents in the canvas. The supreme executive of the Union is to be a Board of five persons, but how they are to be elected, or what are to be their powers, is far from clear. The notorious difficulties of an international army are brushed aside with a reference to the French Foreign Legion. The question of including non-self-governing dependencies (India, Java, the Philippines) in the Union is dismissed in a page or two of generalities. And the chapter on the problems of transition (Annexe 2), to which the practical statesman will turn with special interest, is on the whole disappointing. The destruction of existing tariff walls and the unifying of divergent currency systems would mean a dislocation of national

economies which it is impossible to estimate; but Mr. Streit rests too often on the reflection that what is transitional need not be serious. The biggest issue of all, however—the glad acceptance of a common citizenship by American and Finn, by Dane and Dutchman, by Briton and almost anybody else—is recognised by Mr. Streit as calling for a universal change of heart; and he asks for volunteers to form a World Unionist Party, for a postcard plebiscite, and for a Congress to be summoned by Mr. Roosevelt. Alas, it will need a good deal more than all that; but Mr. Streit has at least earned the right to challenge his critics to show him a better way. MESTON.

2*. THE COMMONWEALTH OF GOD. (CIVITAS DEI.) By Lionel Curtis. Complete in one volume. 1938. (London: Macmillan. 8vo. lxiv + 985 pp. 10s. 6d.)

THE three volumes of *Civitas Dei*, of which reviews appeared in the July 1934 (p. 561) and January 1938 (p. 84) issues of this *Journal*, are here republished in a single volume. The author has taken the opportunity of revising the work throughout in the light of comments received from readers and reviewers. The English form of the title has been adopted for this new edition for general convenience.

Readers of Mr. Curtis's work will approach Mr. Streit's book with an added interest. The similarity of the ideals propounded by the two authors is explained by Mr. Curtis in his paper on " World Order " which appears in this issue.

3*. WAR, PEACE, AND CHANGE. By John Foster Dulles. 1939. (New York and London: Harper Bros. 8vo. x + 170 pp. 6s.)

MR. DULLES' record at the Peace Conference in 1919, where he stood up for a moderate settlement of reparations, and his subsequent experience of international affairs, entitle anything that he writes to respectful consideration.

The argument of his book is that Great Britain, France, and the United States, having been supreme in the world during the last twenty years, have " produced three great despotisms—Germany, Italy, and Japan," by refusing to recognise the need for continuous change in international, as in all human, affairs. Analysing the reasons for this blindness, Mr. Dulles finds it in the innate selfishness of human nature, which is intensified when men embody their emotions and desires in a group-personality—the Nation-State. Thus each group sees its own nation as a " Hero-Benefactor " and an opposing group as a " Nation-Villain." Thus there is created a vicious circle leading to war.

The author seeks a solution along two lines at once. The long-range solution consists in an effort to change the fundamental weaknesses in human nature and human society by making men at once more reasonable and more unselfish. " It should not be permanently accepted that human action should be dictated by emotion to the permanent exclusion of reason." The short-range solution consists in recognising the existence of " dynamic " factors in the life of nations and in depriving them of their sting by timely concessions. The United States and the British Empire are cited as examples of political communities which have dealt successfully with " dynamic " elements within their own bosom.

The weakness of the book is in the over-simplification of its analysis. This is revealed by the opening statement that present-day Germany,

Italy, and Japan have been "produced" by the refusal of the three great democracies to submit to the law of change. Germany, Italy, and Japan are what they are principally because of conditions inherent in their own national lives and make-up, in what Mr. Dulles, in the language of American sociology, calls their "mores." Moreover, is it not a travesty of the facts to suggest that no changes have been made in the last twenty years except through force? There is another over-simplification in the analysis of the motives by which nations are actuated. Both the reasonable and the non-self-regarding elements in the policies of the democracies are insufficiently allowed for. Mr. Dulles' unwillingness to recognise these is due to his failure to realise the importance which political institutions and traditions play in the life of nations. He sees only dynamic nations and conservative nations, where a more comprehensive eye would see free and unfree, constitutional and unconstitutional, politically mature and politically immature nations.

Events since its preface was written in November 1938 have already demonstrated the weakness of its argument. Whether a "dynamic" State is placated by concessions or has its appetite whetted by them depends on deeper and more complex factors with which Mr. Dulles forbears to deal. But the book retains its interest as an honest attempt, by an onlooker from across the Atlantic, to formulate the philosophy of "appeasement." A. Z.

4*. POLITICAL THOUGHT: THE EUROPEAN TRADITION. By J. P. Mayer, in co-operation with R. H. S. Crossman, P. Kecskemeti, E. Kohn-Bramstedt, and C. J. S. Sprigge. With an introduction by R. H. Tawney. 1939. (London: Dent. 8vo. xxviii + 485 pp. 18*s*.)

5. REASON IN POLITICS. By K. B. Smellie. 1939. (London: Duckworth. 8vo. 292 pp. 12*s*. 6*d*.)

MR. MAYER describes the book which he has edited, and largely written, as "a pedagogical-political tract." Its aim is "to portray the interweaving and continuous operation of the main decisive European political ideas," with special reference to the problems and prospects of the present generation. As far as the seventeenth century, Europe is treated as undivided; there follow separate chapters on the British, the French, the German, the Italian, the American, and the Russian contributions to the sum of the European tradition.

The conclusion advanced is that the common European tradition is an ethos of reason. "Its basic elements" are "freedom of thought and doctrine; the dignity of the individual; a human responsibility to society and the State." Such also is the sense of Professor Tawney's admirable introduction.

The method of treatment has involved certain difficulties. The field to be covered was so vast that condensation had in any case to be very great; and it might have been better to discard all but the barest essentials. Mr. Mayer has tended to include too much history: mention is made of topics ranging from the Arian heresy to the development of book-keeping, which, though attractive in themselves, are not immediately relevant. The result is that in the earlier part of the book the compressive strain is at times almost painful. Later, reading becomes easier. The British chapter gains by its frugality; and that on France contains some especially able description, both of events and of ideas. The chapters on Italy and on America are mainly concerned

with practical political trends, but are clear, concise, and vivid. Of contemporary Russia Mr. Mayer writes with a certain warmth of sentiment, yet with moderation. The trouble in the later part of the book is that the division to some extent hampers the evaluation of effects that were universal, like those of the French Revolution.

The book is full of interest. There is much excellent summarising, there are delightful quotations, and there is a particularly memorable account of the ancient origin of humanism, and of its varying fortunes.

Mr. Smellie's book begins with a sketch of the history of political thought; goes on to criticise the systems of the Utilitarians, of Hegel, and of Marx; examines the relation of politics to metaphysics, to history, to economics, and to ethics; and ends with an analysis of the nature and of the future of the State. The book is less elaborate than Mr. Mayer's, but it offers stimulating comment, written in a style that is terse and lively.

E. Ker.

6*. The Social and Political Doctrines of Contemporary Europe. By M. Oakeshott. With a foreword by Professor Ernest Barker. 1939. (Cambridge University Press. 8vo. xxiii + 224 pp. 10*s.* 6*d.*)

Professor Ernest Barker, in the foreword to this anthology, reveals that he suggested to Mr. Oakeshott "" a volume which would illustrate, in authentic and original texts, the tenets of the main schools" of contemporary thought. He thus admirably defines the purpose of this book. Those who know Professor Spahr's *Readings in Recent Political Philosophy* (1935) will be familiar with the idea behind this suggestion. The main schools have been taken here as "Representative Democracy, Catholicism, Communism, Fascism, and National Socialism." The 33 pages of quotations from the Encyclicals and Letters of Leo XIII and Pius XI provide an excellent indication of the contemporary Catholic doctrine on the right of revolution, liberty, private property, the family, associations, a just wage, and the nature and end of the Christian State. We should be grateful to Mr. Oakeshott for making this collection.

It is no reflection on a useful piece of work to wish that it had been more comprehensive. The space devoted to Democracy seems, in particular, disproportionately small, and it is a pity that this section should give the impression, which Professor Barker apparently supports, that nothing fundamental has been said since Mill except by T. H. Green, neither internationalist, syndicalist, anarchist, pluralist, nor revolutionary socialist being represented. And, while the leadership principle and radicalism do distinguish the German from the Italian brand of Fascism, they can nevertheless hardly be regarded as different schools.

But these are just two criticisms of detail which scarcely detract from the usefulness of the book; and Mr. Oakeshott disarms us in advance—with regard to the first—by the warning that "the book deals only with those social and political doctrines of modern Europe which have found some actual realisation." It is possible to differ as to what doctrines have been realised, and of course to say, as Mr. Oakeshott would be the first to appreciate, that the extent of realisation up to date is not necessarily an accurate index of significance.

H. R. G. Greaves.

7*. DER SOZIALIMPERIALISMUS ALS LETZTE ETAPPE DES IMPERIALISMUS. By Adolf Grabowsky. [*Forschungen zur Weltpolitik und Weltwirtschaft, Heft. I*]. 1939. (Basle: Weltpolitisches Archiv. 8vo. xii + 126 pp. *Frs. Swiss* 5.)

THIS book is the first of a series to be issued by the Weltpolitisches Archiv in Basle, an institution which sets out to do the same kind of work as that done by Chatham House. It is a most successful beginning. Herr Grabowsky carries on the tradition of sociological analysis which, at its best, was one of the most outstanding achievements of pre-Nazi thought in Germany. His new book is a development and critique of his neo-Marxian theory that imperialism represents the final stage in the evolution of capitalism. He divides the history of capitalism into three stages. The last stage, which he terms "Social-imperialism," is characterised by the emergence of the all-powerful State as the driving force of imperialist expansion, and appears in its most complete form in the Totalitarian States. Herr Grabowsky avoids the error committed by Marxian sociologists of underrating the influence of non-economic factors such as nationalism in the genesis of imperialism; and he also differs from them in his judgment concerning the mode of its final collapse. He believes that that collapse will come, not through the positive action of a class-conscious proletariat, but as a result of sheer exhaustion, physical and moral, amongst the people of the Totalitarian States; and that it will therefore be succeeded not by Communism but by a reversion to earlier political forms under the guidance of a military dictatorship. He believes, too, that this collapse is not far off, and that it does not necessarily require war to bring it about. This somewhat optimistic conclusion is the part of the book which is perhaps most open to criticism. The book as a whole is a remarkable essay in sociological analysis of a kind which is all too rare in Great Britain; and it contains what is in many ways the best account yet produced of the basic essentials of Totalitarianism. The Weltpolitisches Archiv deserves to be congratulated on its first publication. It is to be hoped that it will maintain the high standard it has thus set itself.

D. A. ROUTH.

8. THE MIDDLE WAY. By Harold Macmillan, M.P. (London: Macmillan & Co. 8vo. ix + 382 pp. 5s.)

MR. MACMILLAN'S mission in life—for it is nothing less—is too well known to need a reviewer's comment; and moreover this book is not directly international in character. It is a plea for guiding British national economy along a middle course between Fascism and Communism, lest it slip into one or the other. A start must be made at once, before the trade cycle brings another depression. But planning has to be undertaken on a nation-wide front; trade cycles have to be ironed out; piecemeal planning has to cease; a system has to be devised which "will ensure regularity of consumers' demand at an irreducible minimum standard of life." The problem of putting an end to poverty and insecurity, while maintaining liberty, has so far defied solution, but it is not going to be solved by the methods of Nazi-ism or of Bolshevism. How Mr. Macmillan proposes to solve it his readers must study for themselves; they will find it very well worth while.

MESTON.

9*. The Crisis and Democracy. By J. Eric Fenn. (*Crisis Booklet No. 2*). 1938. (London: Student Christian Movement. 8vo. 57 pp. 1*s.*)

An essay on the political and religious significance of the Munich Agreement. The author regards the agreement as a betrayal of democracy and Christianity, and the future after Munich as a choice between Nationalism and Christianity. He urges a religious and spiritual revival as the means of saving democracy and reversing the defeat of Munich.

10*. The Coming Victory of Democracy. By Thomas Mann. 1938. (London: Martin Secker and Warburg. Sm. 8vo. 103 pp. 2*s.* 6*d.*)

This small book contains the text of a lecture delivered in America in 1938 and a letter from the Dean of Bonn University informing the author that his name has been struck off the roll of honorary doctors, together with the latter's reply, which, not surprisingly, evoked no further response from the Dean.

The author analyses the dangers to democracy contained in the novelty, and the dynamic and mystic appeal of Fascist phraseology, and in the advantages which the Fascist States derive from a world situation in which the distinction between war and peace is no longer clear. The ultimate victory of democracy depends upon two conditions: ". . . democracy's deep and forceful recollection of itself, the renewal of its spiritual and moral self-consciousness, the release through thought and feeling of that youthfulness which springs from its humanity and timelessness. The second condition will be fulfilled through the clear and frank appreciation of the unquestionable, practical and menacing advantages upon which . . . dictatorial fascism, bases its hopes of victory."

11*. Creative Society. By John Macmurray. A Study of the relation of Christianity to Communism. 1938. (London: Student Christian Movement Press. 196 pp. 2*s.* 6*d.*)

A cheap edition A review of this book, originally published in 1935, appears in the issue of *International Affairs* of May 1936.

12*. Founding of the First International, 1864. Edited by L. E. Mins. 1939. (London: Lawrence and Wishart. 8vo. vi + 96 pp. 1*s.*)

This slight work is a collection of documents bearing upon the inaugural meeting of the first International Working-men's Association, the originals of which are to be found in the Marx-Engels-Lenin Institute of Moscow: a biographical index is a useful appendix. Remembering the later nihilistic and anarchistic tendencies of those who wished to increase the rapidity of amelioration of the conditions of labour, the speeches and writings exhibit a surprising moderation. The original motives of the founders were humanitarian, only later were they thought to be inadequate and requiring the buttress of a materialistic philosophy.

H. J. Cooper.

13*. A New Holy Alliance. By Emil Ludwig. 1938. (London: Robert Hale. 8vo. 123 pp. 3*s.* 6*d.*)

This book contains a comparative study of the German, French, and English national characters, and of the Italian and German dictatorships. The author maintains that nothing but a military victory to revenge Versailles will satisfy Nazi Germany and proposes an alliance, between the United States, France and England, which will make a stand against further demands, as the only hope for European peace. The adherence of any other States willing to "declare themselves a unanimous group of respected conspirators for world peace" is to be invited in the manner of the Holy Alliance. This is an amusing and witty essay, though slight.

14*. Peace Through Social Justice. A speech delivered by Harold Butler, C.B., Director of the International Labour Office, at the Trades Union Congress, Blackpool, September 7, 1938. [*Platform Pamphlets No.* 3]. 1938. (London: Peace Book Co. Ltd, 8vo. 13 pp. 3*d.*)

15*. A CHURCH MILITANT. By Leslie S. Hunter. (*Crisis Booklet No. 7*) 1939. (London: Student Christian Movement Press. Sm. 8vo. 63 pp. 1s.)

GENERAL

16*. SURVEY OF INTERNATIONAL AFFAIRS 1937. By Arnold J. Toynbee, assisted by V. M. Boulter. 2 vols. 1938. (Oxford University Press. Cr. 8vo. ix + 674, viii + 434 pp. Published price 25s., 18s.; to members of the Institute, 15s., 11s.

THE early pages of this exhaustive survey of a critical year contain a passage—remarkable in its prescience if, as appears, it was written before Munich—which provides a sort of key to the whole story. Discussing past efforts to control the international anarchy of Europe, Professor Toynbee points out that the European "Concert" of Great Powers, which was the predecessor of the League of Nations, was able to function only because in all States—even those which had parliamentary governments—the control of foreign affairs was still in the hands of an aristocratic class which remained to some extent cosmopolitan in its social habits and outlook.

> "It was indeed [he continues] this pertinent remnant of social solidarity in Europe that made the nineteenth-century 'Concert' a going concern; but this traditional social basis for political co-operation between the Powers was destroyed by the political and social revolutions that accompanied and followed the war of 1914–18: the establishment of the League of Nations was an attempt to replace this lost traditional solidarity by an institutional substitute; and when, in 1937, 'the Genevan institution' in its turn was stricken with paralysis the separate 'sovereign' independent States of the world were left face to face with one another without either an institutional or a moral bond to mitigate the dangers of a physical juxtaposition. . . . Each nation was now solitarily confined within its own national language, national social structure and national 'ideology.'"

The events of 1937 do, in fact, represent, on the one hand, the complete and apparently final stultification of the effort to create a new international solidarity on the basis of the League Covenant and, on the other, a series of depressingly unpromising gropings after some new form of cooperation. The second volume of the Survey is devoted entirely to the war in Spain, from its beginning in July 1936 to the fighting at Teruel, early in 1938; and this presents a "case-history" which illustrates the whole process of decline and ineffective efforts for recovery more fully than anything else could do.

The League remains an embarrassed shadow in the background of events which plainly threaten both European peace and the independence of one of its members. Two of the Great Powers act consistently on the assumption that international cooperation must be a mere curtain for ruthlessly selfish policy and action. Two others, deeply committed though their governments are to the pursuit of a "League policy," feel themselves driven to create a new international organ—the Non-Intervention Committee—for the sole purpose of dealing with this particular problem in a manner purely empirical and unsupported by established international law or practice. As a means of preserving peace this experiment has a certain success—though at a heavy cost to international confidence. From other points of view its results are discouraging. In the end "ideological" dissensions and international insecurity are intensified. The only counter-movement is seen in the success of the Nyon Agreement with its partial return to League methods, if not to League principles.

In addition to the chapters by Professor Toynbee and Miss Boulter, the first volume of the Survey contains a valuable account of the Chinese War and its preliminaries and concomitants by Mr. G. E. Hubbard, chapters on Poland and the Danubian countries by Mr. C. A. Macartney and on Palestinian and Egyptian affairs by Mr. H. Beeley, and a necessarily rather sardonic review of world economic affairs by Professor Allan G. B. Fisher. Here again we can watch the apparently hopeful beginnings and final collapse of the attempt to check Japan with the support of the United States; and can follow the fate of M. van Zeeland's search for a scheme of economic appeasement. Mr. Macartney sets the scene for the *Anschluss* and the Czech crisis, and a chapter on " Relations between the Four European Great Powers " shows the beginning of the open rift between Mr. Eden and the senior members of the British Cabinet.

Perhaps it is not the least valuable quality of this Survey that it makes the developments of 1938–39 more easily understandable than they must have seemed to many onlookers in recent months. We can recognise in the policy of " appeasement " and, above all, in Mr. Chamberlain's effort to establish personal contact with the dictators, an attempt to break down the " solitary confinement " of the isolated nations and to establish a new, though peculiarly fleeting, " social solidarity " between the leaders of the Great Powers. Unluckily, personal acquaintanceship has proved no very enduring substitute either for institutional organisation or for the almost intuitive mutual understanding of the members of an international ruling class.

The Survey retains all the solidity and accuracy that it has shown in the past. Unexpectedly enough, its least disconcerting pages are those which deal very fully with the currents of native opinion in French North Africa. There, in spite of all unrest, it was still possible to see in 1937 the progress of civilising influences and ideas among peoples emerging from barbarism. J. M. Reid.

17*. A Short History of International Affairs, 1920–1938. By G. M. Gathorne-Hardy. Issued under the auspices of the Royal Institute of International Affairs. 1938. (Oxford University Press. 8vo. x + 487 pp. 8s. 6*d*.; to members of the Institute, 6*s*.)

When the original issue of this book was reviewed in these columns (Vol. XIV, p. 120), the reviewer twitted Mr. Gathorne-Hardy with his " kindly tolerance, not unmixed with amusement." In the present issue there is the same tolerance, but not much amusement. The march of events since 1934 has been too serious; and Mr. Gathorne-Hardy shows all the gravity, as well as all the impartiality, of the true historian. The first part of his narrative runs exactly as it did in 1934, with one small addition and a footnote more or less; but from 1930 onwards it has been recast and brought down to the Munich settlement. Of all the international happenings in these eventful years, nothing of importance has been omitted; so that the vast area of his operations has called out all the author's gift of condensation. At the same time there is no sacrifice of clarity; and it would be difficult to find simpler or more concise accounts than the chapters, for example, on the New Deal, the tangle in Palestine, the decay and death of the Disarmament Conference, or the tragedies in Abyssinia and Spain.

Inevitably the dominant figure on the stage is Herr Hitler. That an " Austrian of insignificant appearance, a consistent failure in early

life, temperamental, emotional, and irresolute, superficially educated and charged with no single new or original idea," should come to rule a great people and to shape the destinies of Europe, is indeed, as Mr. Gathorne-Hardy says, a mystery. The clue, he thinks, is Herr Hitler's " intuitive capacity for the accurate computation of risks, and an uncanny perception of the psychological moment for instantaneous and ruthless action." But the reader of this narrative sees emerging from it something more: a strain of undoubted greatness in the Führer's long-range strategy, and in his personal magnetism. There is genius in his capacity for planning, and for the lightning speed of readjusting his plans to emergencies. There is genius also in his handling and using for his own purpose a power like Mussolini, all unconscious of being a tool in a master's hand. No feat of modern diplomacy has been more remarkable than Italy's alienation from France, or her acceptance of the suicide of Austria. This part of his story is sketched with dramatic vividness by the author.

A feature of special attraction in the book is its fairness. The writer admits strong convictions, but never lets them intrude. It may not be difficult to gauge his feelings about our hesitations (p. 290) over the Egyptian treaty, for instance, or the conflict of principle (p. 446) between Mr. Eden and Lord Halifax. But the scales are held with scrupulous care, which makes all the more impressive the final words of doom which Mr. Gathorne-Hardy adapts from the prophet Ezekiel.

MESTON.

18. VERY FOREIGN AFFAIRS. By John Scanlon. 1938. (London: Allen and Unwin. 8vo. 274 pp. 6s.)

MR. SCANLON has already entertained many readers with his satire on home politics in *Pillars of Cloud*. Turning now to foreign policy, he has found no dearth of material for his satirical pen in the wrangles over reparations, disarmament, and collective security. Dr. Johnson's *obiter dictum* that " Experience, which is constantly contradicting theory, is the best test of truth," might well have been taken by him as his text. He pities the workers who " from being the opponents of Imperialism have become its sole defenders. (The Imperialists won't fight.) They have not even been led in a circle. They have only been taken out and lost. One false step had led them into the maze, and whilst the leaders still go round and round the maze the workers have lost interest in the proceedings." As for the Conservatives, they were just bored with foreign affairs; but " they knew all the dangers of capitalism, and would do nothing about it except arm (when it was safe politically) and stick up tariffs."

The use made of quotations from past speeches and manifestoes is devastating, for Mr. Scanlon, as a general rule, prefers to supply his own contexts or interpretations. Altogether a diverting little book on a theme which would be one of unrelieved tragedy, if it were not possible also to see the humorous side of party politics. S. A. H.

19*. THE HISTORY OF THE TIMES. VOL. II: THE TRADITION ESTABLISHED, 1841–1884. 1939. (London: *The Times* Office. 8vo. xv + 622 pp 15s.)

THE second volume of the history of *The Times*, which substantially exceeds its predecessor in bulk, covers the period from the death of Barnes in 1841 to 1884. Except for the last eight years, when the rather colourless Chenery occupied the editorial chair, the volume

coincides with the great editorship of Delane. By a fortunate conjuncture of circumstances, Delane's long editorship was matched by the long career of John Walter the third as chief proprietor. The combination of these two men established the tradition, and gives this volume its unity.

The review of the first volume which appeared in these pages[1] remarked that the history, like *The Times*, was " well informed, well balanced, tolerant, unsensational and anonymous." The same qualities will strike the reader of the second volume. The story of a great institution is told clearly and straightforwardly, without any tinge either of ostentation or of false modesty. The period begins with *The Times* well ahead of its rivals, but keenly alive to the necessity of hard work and enterprise if its lead were to be maintained. In the 'forties and 'fifties, when railways and steamships were spreading fast over the world, speed in transmitting news was the most important factor in a newspaper organisation. Then the telegraph solved the technical problem, and the personality of editor and correspondents became the newspaper's greatest asset. It is no accident that the Victorian age gave *The Times* not only its greatest editor, but its most famous foreign correspondents—W. H. Russell, de Blowitz, and Mackenzie Wallace. In an age when the sources of news were still unorganised, personal contacts were not only the supreme and vital necessity, but gave results which would be impossible to-day. This volume is full of them, ranging from Delane's relations with Aberdeen and Palmerston to de Blowitz's famous " scoop " at the Congress of Berlin.

The real " establishment of the tradition " may perhaps be said to date from the abolition of the newspaper tax in 1855, which confronted *The Times* with cheap popular competition and led to the decision, for which John Walter was ultimately responsible, to maintain the higher price of *The Times* and justify it by upholding its unique character. From 1861 to 1913 *The Times* sold regularly at threepence. After many vicissitudes it still sells at double the price of any other London daily, and except for brief periods its supremacy has never really been challenged. This volume, in addition to the many sidelights it throws on nineteenth-century history, is primarily the story of how this unique position was achieved. E. H. CARR.

20*. THE JEWISH PROBLEM. By Louis Golding. (*Penguin Special*). 1938. (London: Penguin Press. 8vo. 213 pp. 6*d*.)

THE series of Penguin Specials have already established a reputation for providing books of high quality on topics of immediate general interest; the present publication is a timely and worthy addition to the series. It is also very well illustrated. The publishers have been fortunate in their selection of an author: Louis Golding has written these two hundred pages with the same verve and vividness as he uses for his novels, and the result is a book which is very readable and has already, I am told, passed into a second or third edition. The first half of the book is a competent survey of the elements of the Jewish problem in the past, its religious origin, its economic inheritance from the Middle Ages, its immediate background in the Gentile reaction to nineteenth-century emancipation, and the Jewish flight from Russia from 1881 onwards. In the second half the central emphasis is naturally on Germany and the influence of German-inspired anti-Semitism in every country of the world. Louis Golding writes as a believer in Zionism.

[1] Vol. XIV, No. 3, May 1935, p. 407.

Apart from Palestine, he can only say that the Jews will survive because they have the will to survive—and it is doubtful if anyone at the present moment can really go further than that. J. W. P.

21*. CONVENTION FOR LIMITING THE MANUFACTURE AND REGULATING THE DISTRIBUTION OF NARCOTIC DRUGS OF JULY 13, 1931. Historical and Technical Study by the Opium Traffic Section of the Secretariat of the League of Nations. [1937. XI. 3.] 1937. (Geneva: League of Nations; London: Allen and Unwin. 8vo. xxxix + 299 pp. 7s. 6d.)

THIS is an authoritative commentary on the Opium Convention of 1931. That Convention and the way in which it has been administered by one of the most competent branches of the Secretariat of the League have repeatedly and accurately been described as breaking new ground in international government and, to some extent, in international law.

The subject covered by the Convention is, of course, of a distinctly limited scope. But, given these limitations, it is difficult to find another example of such persistent and thoroughgoing interference by an international organ with a subject of national administration. The Contracting Parties have undertaken to make returns and to furnish estimates concerning the manufacture, importation, exportation and conversion of drugs. These accounts and estimates are subject to strict check and supervision by the central organ, which is authorised to question the various governments. The estimates submitted by the countries are incorporated in an international plan for the ensuing year drawn up by the Supervisory Body. The execution of the plan is supervised by the national and international organs. It is enforced, as the Fourth Assembly put it, by " an embargo of world wide scope which, so far from remaining a dead letter, has already been applied on several occasions during the past years." Any country which disregards the estimates by importing an excessive quantity is exposed to the operation of the embargo.

Moreover, the Convention is indirectly made to apply to non-contracting parties. For, according to Article 2 of the Convention, the Permanent Central Board is bound to request estimates from " countries or territories to which this Convention does not apply." If the estimate is not supplied, the Supervisory Body prepares an estimate. There are other articles of the Convention (reviewed on p. 53 of the study), whose result is to impose effectively, although not legally, obligations upon non-contracting States. There is in the relations of States no legislation in the accepted meaning of the term, *i.e.*, as signifying the imposition of obligations by a majority upon a dissenting minority. The Opium Convention shows that in some matters that result may be achieved indirectly.

These and other questions are brought out in an illuminating fashion in the present study. It is indispensable for those concerned with the application of the Convention and with the study of the international regulation of the drug traffic. The student of international government will find it suggestive even in its technical aspects.

The author (or authors) of the study must be congratulated on the meticulous care with which it has been prepared. As an example we may mention pp. 219–222, commenting on the provision laying down that the French and English texts shall both be authoritative. The study gives a detailed comparison between the English and French texts in a manner which makes these pages a useful contribution to the question of the interpretation of bilingual treaties. H. L.

22. L'Action Sociale en Pays de Missions. By Joseph Wilbois. [*Collection de Documents et de Témoignages pour servir à l'histoire de notre temps.*] 1938. (Paris: Payot. 8vo. 150 pp. 18 *frs.*)

The mission lands treated are Africa, Amazonia, Melanesia. The writer begins by examining the three phases of missionary development: preparation, extensive development and intensive penetration. It is in the third phase that problems chiefly arise regarding transition from pre-Christian to Christian social institutions. The structure of family life is then examined and the difficulties which the newly-baptized meet in attempting either to adapt themselves or break away from certain social institutions.

Father Wilbois sees a close relationship between social customs and economic conditions. He believes that many customs should be changed, and counsels cooperation between political, economic and religious forces to bring the change about. M. M. Underhill.

23. The Battle for Peace. By F. Elwyn Jones. 1938. (London: Gollancz. 8vo. 352 pp. 8*s.* 6*d.*).

Mr. Jones' book, published last August, is a propagandist study of propaganda. The author deals with the aims, organisation, and methods of German and sometimes of Italian propagandists. His account of the German aims is based on the most extreme views expressed in *Mein Kampf*; he shows convincingly that official protection is given to German enterprises that could not have been countenanced by ambassadors with immunity, since the sixteenth century; in discussing Nazi methods, the author uses many doubtful sources, accepting, for instance, the "Memorandum of Dr. Goebbels" as if there had never been any suspicion of its authenticity.

No view is expressed about the effect of Nazi propaganda as a whole. In America, at least, it seems to have harmed the German cause, as was shown by the recent trials and by a report to Congress as far back as 1933; nor can it have had such effect in Russia as the author suggests. Russia is indeed the hero, as the British Government is the second villain of this book. It is never suggested that the pronouncements of, *e.g.*, the Seventh Congress of the Third International, and the possibility of its connection with the Russian Government, may have caused anyone a moment's alarm.

A. D. Wilson.

24*. Educational Year Book of the International Institute of Teachers College, Columbia University, 1938. Edited by I. L. Kandel. 1938. (New York: Bureau of Publications, Teachers College, Columbia University. 8vo. xvi + 399 pp.)

The theme of the 1938 volume of the *Educational Year Book* is Rural Education and Rural Society; and the problems arising out of this subject in fourteen countries:—the Argentine Republic, Australia, Brazil, Canada, China, Czecho-Slovakia, Denmark, England, France, Germany, India, Mexico, Norway and the United States.

25*. Political Handbook of the World: Parliaments, Parties and Press as at January 1, 1939. Edited by Walter H. Mallory. 1939. (New York: Harper Bros., for Council on Foreign Relations. Cr. 8vo. 207 pp. 10*s.* 6*d.*; to members of the Institute, 9*s.*)

A new edition of this unique and valuable publication is always to be welcomed. In it will be found, concisely assembled and easy to refer to, information in respect of each country on the composition of the govern-

ment, the programmes and leaders of the political parties, the political affiliations and editors of the newspaper press, together with the essential information on the organisation of the League of Nations, the International Labour Organisation and the Permanent Court of International Justice.

26*. FROM EAST TO WEST: A Traveller's Reflections on Politics and Peoples. By Fritz Ermarth. 1939. (Norman, Oklahoma: Privately printed. 8vo. 145 pp.)

The author sees the nations of the world gradually forming themselves into regional groups which will, he considers, result in the solution of many of the present difficulties—an East Asian Empire under Japanese control; the Americas, united in the Pan-American ideal; Europe with its colonial hinterland, Africa. The only way to solve the European problem, the author argues, is to permit the development of Germany and Italy eastwards; this may incur a war with the Soviet Union, but he sees no reason why the Russian nation should not afterwards resume its place at the European Conference table. A European four-Power pact opening up to Germany and Italy the lands of north-western Asia and Asia Minor is the only guarantee for the preservation of the British Empire, that is "hooked to all world regions from east to west."

27*. GOLDSWORTHY LOWES DICKINSON. By E. M. Forster. Cheap Edition. 1938. (London: Edward Arnold. 8vo. xiii + 277 pp. 5s.)

The original edition was reviewed in the July 1934 issue of *International Affairs*.

28*. INTERNATIONAL BIBLIOGRAPHY OF HISTORICAL SCIENCES. Tenth Year, 1935. Eleventh Year, 1936. Edited for the International Committee of Historical Sciences, Zurich. 1938. (London: Humphrey Milford. 8vo. xxxviii, 474, xxxix, 449 pp. 40s. each volume.)

WAR AND DEFENCE

29*. ECONOMIC PROBLEMS OF THE NEXT WAR. By Paul Einzig. 1939. (London: Macmillan. 8vo. 146 pp. 7*s.* 6*d.*)

30*. ECONOMIC ASPECTS OF DEFENCE. By Harold Macmillan, M.P. 1939. (London: Macmillan. 8vo. 67 pp. 1s.)

DR. EINZIG here presents a simplified (and perhaps, within the limits of space to which he has confined himself, an inevitably oversimplified) picture of the economic organisation which the outbreak of war would impose upon us. He believes that, if it were assumed that the next war would be brief, the assumption would be a mistake, with consequences at least as grave as those which attended a similar error in 1914, and that it is therefore necessary to contemplate and prepare for a complete regimentation of all economic activity in time of war, and indeed, in certain directions, long before war had actually broken out. It can scarcely be doubted that the changes in economic technique in another war would be no less revolutionary than the changes in military technique, and even Dr. Einzig has probably not visualised them in their completeness. Neutrals might be unreasonably optimistic if they accepted his assurance that they "would enjoy a high degree of prosperity," and the possibility of radical changes in the attitude towards gold is another interesting topic upon which he does not speculate. For some readers Dr. Einzig will appear to follow too closely the popular fashion for discounting the dangers of large-scale borrowing. Something needs to be added to his statement that "if money is pumped into the market through open-market operations, it

does not in itself add to the purchasing power of the public, but it does add to the market's capacity for absorbing new Government loans," for the new Government loans, it may be presumed, will be spent on something, and will thus indirectly increase somebody's purchasing power. Dr. Einzig disclaims any ambition to write " a comprehensive handbook of war economy," but he has certainly succeeded in his more limited aim of studying some of the broad problems and suggesting tentative solutions.

The scope of Mr. Macmillan's pamphlet is at once narrower and wider than Dr. Einzig's, narrower because he is concerned with defence rather than war itself, wider because he also discusses the proper objectives of foreign policy, reprinting in an appendix a document written immediately after the Munich agreement, which explains why he abstained from voting in favour of a motion approving the actions of the Chamberlain Government. Mr. Macmillan, like Dr. Einzig, believes that " the slack incompetence of an unplanned economy must give place to the disciplined efficiency of rational organisation and control." ALLAN G. B. FISHER.

31*. IMPERIAL DEFENCE: a Problem in Four Dimensions. By Major-General H. Rowan-Robinson. 1938. (London: Frederic Muller. 8vo. x + 342 pp. 10s. 6*d*.)

PROBLEMS of Imperial defence in the light of new conditions now prevailing in the world are a matter of common concern, and not for the expert only. Major-General Rowan-Robinson's book is a reasoned and comprehensive exposition of these problems. He is afraid lest the man in the street should not fully appreciate the dangers to which Great Britain, as the centre of a world-wide Empire, is faced from aggressive, non-sated Powers. In particular he stresses the importance of the new factor of time—the fourth dimension with which Imperial defence now has to deal. The problems of air attack and defence are fully dealt with, as well as those connected with mechanisation. Nevertheless General Rowan-Robinson was unfortunate in publishing his book just before the September 1938 crisis. " Wake up, England," might fairly be taken to be the purpose of his book, but much that he has to suggest has been put into effect since the autumn of last year. But as an explanation of these immense defence preparations and as a clear survey of the factors affecting our strategic position, intelligible to expert and layman alike, the book can be thoroughly recommended.

K. C. BOSWELL.

32*. GAS IN THE NEXT WAR. By Major-General Sir Henry Thuillier, K.C.B., C.M.G., D.S.O. [" The Next War," a series edited by Captain Liddell Hart.] 1939. (London: Geoffrey Bles. 8vo. xii + 180 pp. 5*s*.)

THE author was Director of Gas Services at G.H.Q., and subsequently Controller of Chemical Warfare at the Ministry of Munitions, so he is able to write with authority on a subject that has all too often been a happy hunting-ground for sensationalists.

He examines at some length the first use of the gas weapon by the Germans at Second Ypres and its development by both sides up to the end of the War. His examination of the incidence and nature of gas casualties should dispel many popular misconceptions on the subject. Gas is peculiarly a weapon of surprise, and he gives convincing reasons

why it would be unwise to-day to place too much reliance on any convention for its total abolition. His appreciation of the possible future uses of gas will be found of great interest. His conclusion is that a belligerent will seek surprise in the future by novel tactical employment of existing gases rather than by the invention of new ones. This is a useful book—one of the best of the present series.

B. T. REYNOLDS.

33*. THE TERRITORIAL IN THE NEXT WAR. By Bt.-Colonel W. E. Green, D.F.C., T.D. ["The Next War," a Series edited by Captain Liddell Hart.] 1939. (London: Geoffrey Bles. 8vo. x + 182 pp. 5s.)

COLONEL GREEN can hardly be blamed for not giving us a very clear picture of the rôle of the Territorial Army in the next war. His book was written before Mr. Hore-Belisha's Army Estimates speech in March 1939, which contained the historic pronouncement about the Field Force of nineteen divisions, thirteen of which would be drawn from the Territorial Army; even before the decision was taken to rearm the Territorials to bring them into line with the Regulars. But he has rendered a service by discussing the problems of a citizen force. Any further expansion of our land forces to-day will almost certainly be based on the Territorial Army and it is essential that the problems involved should be appreciated as widely as possible, not least by Regular officers. B. T. REYNOLDS.

34*. THE EMPIRE ON GUARD. By W. F. Wentworth-Sheilds. 1938. (London: Faber & Faber. 8vo. 136 pp. 2s.)

The preface by Mr. R. A. Butler tells us that this little book is one of a series being produced by the Conservative Central Education Committee in cooperation with Messrs. Faber and Faber. It is a useful and well documented account of the British Commonwealth defence position by land, sea and air. B. T. R.

LAW

35*. DIRITTO MARITTIMO DI GUERRA. By Roberto Sandiford. Quinta Edizione Riveduta ed Ampliata. 1938. (Rome: Ministero della Marina. 8vo. x + 354 pp. *Lire* 20).

THIS book is authoritatively written, and may be taken as representing the Italian views on naval warfare. It is published at a particularly opportune moment, as it follows immediately on the enactment by Italy of comprehensive laws on war and neutrality which purport to codify the rules on the subject and to which this book provides a reliable commentary. The author is thus in favour of the abolition of the traditional distinction between absolute and conditional contraband, and this view is embodied in the Italian code, which contains one list only of contraband articles. Whilst accepting the doctrine of continuous voyage in the case of contraband, the code rejects it in the case of blockade. On the question of neutrality, the author is distinctly of the opinion that, in spite of the League of Nations and the Briand–Kellogg Pact of 1928, the rules of neutrality still exist and have a practical interest. The book contains three useful appendices: (*a*) a list of the various limits adopted by the principal maritime States in fixing their territorial waters; (*b*) an enumeration of the rules governing the nationality of merchant ships in the municipal laws of the respective countries and (*c*) a list of ship's papers carried by them. C. J. C.

36. Nations et Droit. By Umberto Campagnolo. [*Bibliothèque de Philosophie Contemporaine.*] 1938. (Paris: Librairie Félix Alcan. 8vo. 305 pp. 50 *frs.*)

The author propounds in this book an original thesis based on the doctrine that international law is no longer destined to regulate the mutual relations between States, but is only intended to govern the conduct of the citizens of one State towards foreign nationals. Its development, according to the author's views, should run along the lines of the assimilation of foreigners to nationals and the consequent unification of all Nations into one body described as " civitas maxima." His principles are so largely interlocked with philosophical and theoretical conceptions that their application to practical international law appears impossible. It is on the same basis that the author advances a new theory or rather " a philosophical conception " of the League of Nations, which he considers at present as being incapable of reconciling scientifically the " idealogies of a State with those of international law." It is only fair to say, however, that the author does not seek a final solution to these contradictions in the present monograph, as he promises us a further volume intended to clarify the nature and function of the League of Nations as a " new phenomenon " in the history of international life. C. J. C.

37. Recent Experiments in Constitution Making. By B. M. Sharma. [*Lucknow University Studies in Political Science.*] 1938. (Lucknow: Upper India Publishing House. Sm. 8vo. iii + 361 pp. Bibl.)

The author, a highly critical Indian scholar, has attempted in this work to explain to his fellow-countrymen in India four of the constitutions which have recently been formed in Europe—namely, those of Ireland, Germany, Russia and Italy. His attempt is to write impartially and to draw analogies where possible between conditions in Europe and India, his object being to provoke serious thought on the problems of the latter country and to prepare the minds of its citizens for a further work on the Indian Constitution which is promised for some future date. The work is readable, but it is a pity that it should contain so many misprints. H. S. Chatfield.

38. Air Law in the Making. Inaugural Address delivered by Dr. D. Goedhuis upon accepting a Lectureship in Air Law at Leiden University on October 19th, 1938. 1938. (The Hague: Martinus Nijhoff. 8vo. 36 pp. *Gulden* 0·80.)

Dr. Goedhuis, the Manager of the International Air Traffic Association, here surveys swiftly the international legislation on air navigation and transport. The legislation is: the Air Navigation Convention, 1919; the corresponding Pan-American Convention, 1928; the Warsaw Convention, 1929; the two Rome Conventions, 1933; and the Brussels Convention, 1938. His comments are interesting and to the point.

J. M. S.

39. Les Compromis d'Arbitrage devant la Cour Permanente de Justice Internationale. By Henry Thévenaz. 1938. (Paris: Pedone. 8vo. 110 pp. 4 *frs.*)

This is an accurate examination of the procedure and practice involved in arbitration claims before the Hague Court. The author clearly brings out the advantages of the creation of a Permanent Tribunal and its distinct superiority over the ordinary International Courts of Arbitration, by insisting on the juridical aspect of its judgments and its greater respect for

the enforcement of law. A further outstanding advantage is that the Permanent Court, although not strictly bound by its previous judgments, is nevertheless obliged, by its very nature, to observe a consistent sequence in its various decisions. C. J. C.

40*. ANNUAIRE DE L'INSTITUT INTERNATIONAL DE DROIT PUBLIC, 1938. 1938. (Paris: Receuil Sirey. 8vo. 400 pp. 70 *frs.*)

This edition, which is the tenth to be published since the foundation of the Institute in 1927, has been compiled by Professor B. Mirkine-Guetzévitch, the secretary: it contains an additional section devoted to academic discussion. The papers presented at the last meeting of the Institute, with a *résumé* of the discussion which followed, are fully reported. The present holder of the office of President is the American Professor, James W. Garner. H. J. COOPER.

41*. THE WORLD COURT. 1921–1938. A handbook of the Permanent Court of International Justice. By Manley O. Hudson. 5th edition. 1938. (Boston: World Peace Foundation. 8vo. 345 pp. 75 *c.*)

Revised up to March 1st, 1938.

ECONOMICS AND FINANCE

42*. INTERNATIONAL TRADE STATISTICS, 1937. [1938. IIA. 19.] 1938. (Geneva: League of Nations; London: Allen & Unwin. 8vo. 450 pp. 12*s.* 6*d.*)

43*. BALANCE OF PAYMENTS, 1937. [1938. IIA. 18.] 1938. (Geneva: League of Nations; London: Allen & Unwin. 8vo. 212 pp. 6*s.*)

THE first of these volumes shows the imports and exports of the sixty-six chief countries engaged in international trade for the years 1935–37. It gives particulars of the imports and exports from and to each country, and of the principal articles which go to form the international trade of the various countries. There are also tables showing the bullion and species received from and shipped abroad.

Progress has been made by one-third of the number of these countries in tabulating their international trade figures in accordance with the recommendations of the League of Nations Committee of statistical experts at the Convention held in Geneva in 1928.

Summary tables are given showing the percentage of each country's trade, both in imports and exports, with everyone of the sixty-five other countries, and also the various articles comprised in the international trade of each country classified by stage of production and by use.

The volume dealing with the Balance of Payments for 1937 relates to the figures of thirty-three countries, which include practically all the major international trading countries of the world. In order that comparisons may be made, a table is given in which the figures are converted into the old United States gold dollar. A useful chapter shows the changes which have taken place in current items between the creditor and debtor nations, and it is pointed out that while on the one hand debtor countries have been able substantially to reduce their indebtedness since 1931, the creditor countries have made use of their foreign assets to a greater extent than is usually recognised Other interesting figures which are given relate to the speculative flow of capital between creditor countries and the effect of tourist traffic, emigrants' remittances, and the movements of gold.

These two volumes are an essential addition to the bookshelves of all people interested in international trade problems, and especially worthy of study by those industrialists who claim that the aim of the commercial policy of Great Britain should be to endeavour to achieve a balance with every other country between our imports and exports of commodities. BARNARD ELLINGER.

44. RECHTSSTAAT UND "WIRTSCHAFTSLENKUNG." By Fritz Haussmann. 1938. (Basel: Verlag für Recht und Gesellschaft 8vo. vii + 335 pp.)

45. KONZERNE UND KARTELLE IM ZEICHEN DER "WIRTSCHAFTSLENKUNG." By Dr. Fritz Haussmann. 1938. (Basel: Verlag für Recht und Gesellschaft. 8vo. 383 pp., tables. *Frs. Swiss* 19.)

THERE has been much discussion recently of the appropriate heading under which the Nazi economic system should be classified. Does it represent an entirely new genus, or is it merely another species of a genus already familiar to us? Some enthusiastic Germans, eager to establish their complete independence from anything associated with a discredited past, have been disposed to deny the existence of any links between liberalism and their own economy. When, however, foreign critics, accepting this view, proceed to argue that on the economic side there is little or no fundamental difference between Nazism and Communism, a certain indignation is generated, and some Germans accordingly defend the view that in Germany the essentials of the price-system are still preserved, that the elements of control are in part merely exceptional and temporary phenomena and, for the rest, provide nothing more than a framework within which the machinery of a profit-economy is still free to move. In the first of these two books, a large part of which was indeed prepared before the Nazi revolution, Dr. Haussmann shows himself sympathetic to the latter interpretation. Socialism, in his view, is the only real enemy of the kind of living economic organism without which the maintenance of a *Rechtsstaat* is impossible. Under the new authoritarian régimes it is true that State direction of activity penetrates into every department of the economy. It is implied, however, that this is merely a matter of general direction, and that the consequences are essentially different from those of *Planwirtschaft*, which is nothing but Socialism under another name. Whether this view would be confirmed by an objective survey of the facts of German economic organisation, such as it is by no means easy to make, will still, in the minds of most non-German readers, be open to the gravest doubt.

In the second book, Dr. Haussmann gives a useful survey of some of the recent trends in the direction of industrial combination, especially in the United States and Germany, but with reference also to England, France, Italy, Japan, Russia and Switzerland, and to developments in the international field. There is an extensive bibliography and a useful collection of source-material, but for the most part the expectations aroused in the first chapter, that the reader would be introduced to a fundamental analysis of the relationships between cartels and trusts and the concept of *Wirtschaftslenkung* or economic guidance, are left unrealised. ALLAN G. B. FISHER.

46*. ECONOMICS OR POLITICS? By Paul van Zeeland. 1939. (Cambridge University Press. 8vo. 57 pp. 2*s*. 6*d*.)

47*. KEY PASSAGES OF THE REPORT PRESENTED BY M. VAN ZEELAND, to the Governments of the United Kingdom and France on the Possibility of Obtaining a General Reduction of the Obstacles to International Trade, January 26, 1938. [*Platform Pamphlets No.* 1.] 1938. (London: Peace Book Co. Ltd. 8vo. 20 pp. 3*d.*)

TEN months after the presentation of the van Zeeland Report its author analysed in a lecture at Cambridge the reasons for the "static attitude," the "inertia" which during that period of inactivity made possible the combination of a general, if mild, approval of the principles of the Report with an equally general refusal to do anything about it. There is not a great deal that is new in Monsieur van Zeeland's analysis, and indeed one suspects that a more profound probing of the internal social relationships of our national economies may be necessary if the situation is to be properly illuminated. The doctrines which are here enunciated certainly lose none of their truth with frequent repetition. "We must go into action without more delay," said Monsieur van Zeeland on October 17th of last year. To-day, nearly six months later, there is still little sign of willingness in any country to take the initiative in an invitation for joint action of the kind which Monsieur van Zeeland believed to be the most effective way of lessening the risk of war. A. G. B. F.

48*. ECONOMICS OF PEASANT FARMING. By Doreen Warriner. 1939. (Oxford University Press. 8vo. 208 pp. 12*s.* 6*d.*)

IN Eastern Europe the peasant class amounts to between 60 and 80 per cent. of the total population and accounts for between 50 and 60 per cent. of the national income. Impoverishment of the agricultural population, which has quite different causes from the causes of agricultural depression in the United Kingdom, is a problem of international scope, and in fact is already having political and economic reactions in Western Europe.

Miss Warriner is one of those practical economists who insist on getting their facts on the spot and at first hand, and in the course of three years, 1935, 1936 and 1937, she paid extensive visits to all the countries of Eastern Europe, including the U.S.S.R., because she wanted to find out what had been the results in different regions of the post-War redistribution of large estates among small peasant-farmers and the damming of the emigration stream that, with the growth of industrial employment, before the War relieved the pressure of population on the land. Her conclusions are given in chapters devoted to the standard of living and the efficiency of the farming systems in the different countries of Eastern Europe. The family farm of a few acres is not necessarily uneconomic, for in suitable conditions of soil and climate it can produce as much or even more food to the acre as large-scale mechanised farming. In fact, the persistence of family farming shows that it offers the worker at least as high an income as he could earn as a hired labourer on big farms. But in existing conditions agricultural workers, whether independent peasants or hired hands, cannot hope to enjoy more than a mere subsistence income. The economic position of the Eastern European States seems to force them to a choice between two systems, which Miss Warriner calls the "German solution" and the "Russian solution." The first means the inclusion of the Agrarian States in an economic union with industrial

Germany, the second means collectivisation and State planning. Miss Warriner discusses these solutions in a purely impartial and objective spirit. It may be added that the book is illustrated with many excellent photographs of peasant life in different parts of Eastern Europe. L. E. HUBBARD.

49*. THE WORLD'S ECONOMIC FUTURE. By A. Loveday and others. 1938. (London: Allen & Unwin. 8vo. 134 pp. 4*s*. 6*d*.)

THE Sir Halley Stewart Trustees chose a distinguished international team for the 1937 Lectures, now reprinted. Mr. D. H. Robertson provides an introduction; Mr. Loveday opens on "Problems of Economic Insecurity"; Professor Condliffe follows on "The Distribution of Power and Leadership"; then Professor Ohlin on "The Future Economic Organisation of Society"; Professor E. F. Heckscher on "Recent Tendencies in Economic Life"; Señor Madariaga winds up with "Mental Settings of Our Economic Future."

The titles give a fair idea of the ground covered and of the method of approach: analysis of existing tendencies and speculation as to where they may lead us in the future. Must we expect economic life in the future to be more bumpy, with increasing contrast between boom and slump? What will be the effects of economic leadership passing from Western Europe to across the Atlantic? Or of the coming fall in population? Or of the shifts in productive activities in the modern economy? How can the battle of conflicting ideas sort itself out? These are all subjects on which it is easier to be suggestive than conclusive—and, after all, the most fascinating questions are those we cannot answer. But the material is so promising that we have not only an interesting series of lectures, but also a book which reads very well—and not many lectures do that. Credit is due, not only to the lecturers themselves, but also to those who planned the series.

A. T. K. GRANT.

50. CAPITALISM IN CRISIS. By James Harvey Rogers. 1938. (Newhaven: Yale University Press; London: Humphrey Milford. 8vo. xi + 210 pp. 11*s*. 6*d*.)

PROFESSOR ROGERS has produced a stimulating rather than a startling book. Intended for readers in the United States, where it should have as important an influence on public opinion as did the four volumes of the Brookings Institute on distribution of wealth and income, this book should also be read by every bank manager and director and all in control of large concerns in the United Kingdom. The outlook of Professor Rogers may be illustrated by two quotations from the preface, "If there is one uniformity in the universe in which we find ourselves, it is change. To this uniformity, the world's economic systems are unlikely to prove exceptions. . . . A frightened clinging to obsolete forms is both dangerous and futile."

Professor Rogers probably underrates the effect in the United States of insecurity of foreign trade owing to political disturbance, and of corruption in State, City and Local Government in America itself. But in a book full of so much that is good and constructive, it seems almost ungracious to suggest minor points of criticism.

C. WALEY COHEN.

51*. LA MONNAIE FRANÇAISE DE 1936 À 1938. By Gaetan Pirou. 1938. (Paris: Sirey. 8vo. 129 pp. 22 *frs*.)

52. A CENTURY OF BANK RATE. By R. G. Hawtrey. 1938. (London: Longmans. 8vo. x + 328 pp. 10s. 6d.)

53. AN INTRODUCTION TO THE STUDY OF PRICES. By Sir Walter T. Layton and Geoffrey Crowther. Third edition, 1938. (London: Macmillan. Sm. 8vo. xiv + 288 pp. 8s. 6d.)

THESE three volumes all in fact represent studies in various aspects of monetary history. Professor Pirou's short volume should have a special appeal to students of international economic affairs, as in the course of 63 pages he gives an exceptionally clear and balanced account of the history of the franc in the last three years, before the Reynaud Plan. Not only is this an admirable introduction, but it is all the more useful because at the end of it is a short bibliography of works dealing with these recent phases of French finance. Perhaps Professor Pirou is inclined to think too much in terms of economics and not enough in terms of present-day political disturbances which call for abnormal measures: his choice between a controlled economy and a free economy will probably be decided—one suspects—in favour of the former by activities on the other side of the Rhine.

Also to be recommended to the student of world affairs (should it fall in his particular field) is the second study in the book "Le piastre et le franc." Since 1930 the piastre of French Indo-China has been fixed in terms of the French franc, and has therefore depreciated with it. The result is a conflict of interests and an outbreak of monetary controversy. This conflict is analysed by Professor Pirou with his usual clarity. The last of the studies in the book (of less interest to the internationalist) is a review of Rist's *Histoire des doctrines relatives au crédit et à la monnaie*, published last year.

Mr. Hawtrey is mainly writing for the specialist in monetary questions. His new book is built round an analysis of the working of Bank Rate since 1833. His study is extremely detailed in character: not only does he give us full statistics, but also an account and examination of various official pronouncements on how Bank Rate was—or was not—supposed to affect the community. Mr. Hawtrey maintains and stresses his belief in the power of Bank Rate as an instrument of policy, and reaffirms with vigour his thesis that movements in short-term rates affect the community through their influence on merchants holding goods on borrowed money. Here, of course, opinions differ very seriously, and differ on a question of fact, which it can only be hoped will be settled some day by factual study. But—controversy or no controversy—this book must be invaluable to the student of monetary history.

"Layton and Crowther" is now in its third edition, and the account of price movements is brought up to the end of 1937. It is now more than a quarter of a century since the first edition appeared with Sir Walter Layton's name on the title-page. With something so firmly established the task of the reviewer is that of adding his very best wishes.

A. T. K. GRANT.

54. A PLAN FOR BRITISH EXPORTS: Constructive Proposals towards countering totalitarian technique in world markets. 1938. (London: The Financial Times. 8vo. 32 pp. 6d.)

This pamphlet analyses the problems presented to British export trade by the development of the new German trading technique. The author believes that most-favoured-nation treatment should be accorded only

upon condition of similar treatment in other markets, and recommends the extension of export credit guarantees and the modernisation of British sales methods. Finally, a policy of selective subsidies may be necessary as " our last line of defence." The difficulties arising in connection with the admission to the British market of imports from other countries are unfortunately neglected. A. G. B. F.

POPULATION PROBLEMS

55*. PRELIMINARY INVESTIGATION INTO MEASURES OF A NATIONAL OR INTERNATIONAL CHARACTER FOR RAISING THE STANDARD OF LIVING. By N. F. Hall. [1938. IIB.4.] (Geneva: League of Nations; London: Allen and Unwin. 8vo. 91 pp. 2s.)

THE Economic and Financial Sections of the League of Nations have been responsible for the publication of a long series of invaluable volumes for which all students of economic development have every reason to be grateful. In the catalogue of virtues (or vices) which can be claimed for League documents, excessive outspokenness has, however, never been included, and anyone who was interested in the technique of under-statement would find abundant material for study in these publications. There are, no doubt, very good reasons for this. Diplomatic proprieties of some kind must be observed, and if we are seriously contemplating effective cooperation with other people, we may rightly suspect that a lucid and exhaustive catalogue of their past errors and misdeeds, however valuable as a historical or scientific document, may not be the most appropriate method for winning their confidence to-day. The policy of letting bygones be bygones is often the policy of wisdom.

Natural, or indeed to some degree inevitable, as is the desire to avoid giving unnecessary offence to the susceptibilities of those whom one hopes gently to induce to follow more sensible policies in the future, the practice of diplomatic caution carries with it, in this as in other spheres, certain important dangers. In the first place, it will be difficult to avoid leaving the misleading impression in the minds even of readers who are not careless that the troubles into which we have stumbled are nobody's fault, but are to be explained in terms of some malignant impersonal forces for which no one can be expected to assume responsibility. In the second place, there is a grave temptation, to which, indeed, most of us who have written on these subjects have succumbed at one time or another, to adopt a circumlocutory and vague vocabulary and mode of expression, which fails to bring clearly before the reader the elementary essentials of his problem. And thirdly, the writer is likely to have some difficulty, as he handles his subject, in doing full justice to himself.

These considerations certainly make the task of the reviewer of a document such as Mr. N. F. Hall's Preliminary Investigation somewhat difficult. His objective, it may be presumed, is to induce changes, more or less drastic, in the policies of many countries, and it would be unreasonable to reproach him for failing to elaborate the mistakes of the past. The only country which is specifically named as having been guilty of error is the United Kingdom (in a footnote on p. 65), while another European country unnamed is gently chided (p. 9) for failing to note the logical contradiction involved in boasting that it was not forcing surplus wheat into foreign markets at a time when the local price was at twice the world level. Each section of the memorandum, taken by itself, makes a valuable contribution to our understanding of

some important aspect of world economic organisation. The suggestion that the trend of economic development is most usefully interpreted in terms of changes in consumers' demand, the satisfaction of which is made possible by improvements in the efficiency of production, is one which requires constant reiteration, and the reader of Mr. Hall's memorandum cannot fail to realise its importance. The issues at stake, however, are so urgent and so closely bound up with the social and political clashes, which at the present time are so threatening, that it appears to be more in harmony with the importance of the ends which the author of this Preliminary Investigation has at heart to attempt a more fundamental criticism, which suggests the desirability of probing still more deeply beneath the surface.

Mr. Hall quite rightly insists that economic and social policies "can only be classified as 'good' or 'bad' according to whether they tend to raise or lower" standards of living, but while he draws attention to "the present confusion in purpose in economic policies" which has led many governments, more or less deliberately, to sacrifice standards of living to other ends, which, at least for the time being, they regarded as more important, he comes later to the comforting conclusion that "each of the different ideologies is pledged to the same objective": the objective of improving standards of living. Judged even by what their spokesmen say, and much more by what they do, the devotion of some of the ideologies to this objective, unless it be interpreted with qualifications difficult to reconcile with the ordinary use of the term, appears to be of a somewhat platonic nature. Indeed, the very fact that it is thought, and rightly so, expedient to place the objective of better standards of living in the forefront of campaigns for improved nutrition or freer international trade surely indicates that there is not, even in our own community, that unswerving and unanimous devotion to this objective which it is desired to use to screw up the courage of timid governments to withstand, as Mr. Hall says, "the sectional interests which grow up behind the shelter of protective devices." And their courage might have been still further fortified if they had been more sharply confronted with doubts as to whether the protective devices which have been used to assure continuity of employment were in fact well designed, even from that limited standpoint, for any but a very short period. Mr. Hall rightly points out that only "a precarious *status quo*" has been maintained. "Though as palliatives" these measures "may be temporarily tolerable, as a basis for permanent policy they are unacceptable," but a devotee of such policies, if he read this report, might easily retain the impression that, even if the sacrifice of higher standards of living was regrettable, he could still congratulate himself on having maintained continuity of employment. Unfortunately one does not need to be very pessimistic to doubt whether the feeling of security of employment is any more widespread or any more reasonable to-day than it was before the devices which were designed to encourage that feeling were adopted.

Mr. Hall sets down as an immediate programme "the prosecution of measures designed to give at least a minimum standard of physiological living to the masses of the peoples," indicates steps that should be taken to ascertain, more precisely than has been done hitherto, existing deficiencies in consumption, and suggests that reforms in taxation, and particularly in taxation which presses heavily upon local transport, would facilitate the lowering of the prices of the basic necessaries of life, and thereby directly raise living standards. Social ser-

vices are discussed mainly as a means for ensuring that degree of continuity of demand without which elaborate and costly improvements in production methods are unlikely to be attempted. But though it is rightly insisted (p. 16) that "governments shall devote their energies to promoting orderly and successive changes in the structure of the economies of their States" by transferring "resources and in particular the services of labour from old lines of employment into new ones," the largest section of the report is devoted to a consideration of methods for increasing output in the "old lines of employment," and in particular in agriculture, though with appropriate emphasis upon the importance of the so-called protective foods. Much of the argument in this section is valuable, and it is especially important to direct attention to the significance of improvements in simple transport and means of local communication. It may be doubted, however, whether this method of approach is not an invitation to tackle the whole question from the wrong end. Especially in the poorest countries, increased output of agricultural products is no doubt one means whereby the desired end of higher standards of living can be attained, and to some extent "an increase of interchange between agriculturalists themselves," each of whom is adopting more efficient methods of production within his own field of activity, will enable standards to be raised without any serious repercussions upon producers elsewhere. But the extent to which reliance can be placed upon direct exchanges of this kind is, in many cases, strictly limited. Any movement in the direction of higher standards will very soon be confronted by the reluctance of producers elsewhere to make those transfers of resources which Mr. Hall tells us are necessary. The crucial problem is, how is this reluctance to be overcome? and on this question the report is disappointingly vague. The technical problem of raising the efficiency of agricultural production is comparatively simple; it is the economic problem of transferring resources which is much more difficult to handle, and which moreover raises the gravest international complications.

Mr. Hall is, of course, not unaware of these aspects of his problem, and there are at least three references to the necessity for firm handling of sectional interests. But the devotion of rather less than a single page to this subject, compared with the thirty pages allotted to improvements directly affecting the efficiency of agriculture, suggests a certain absence of sense of proportion which, it is to be feared, will do little to disturb those who satisfy their self-respect by looking the difficulty of sectional interests squarely in the face, but, having faced it, then pass by on the other side. Nor will the urgency of this problem be enforced upon their attention when they are told that the next steps in investigation should be concerned with studies of consumption, including income elasticities and cross-elasticities of demand, methods of "educating" consumers, and problems of local communication, transport and marketing, and of the use of technical advisory services and the provision of co-operative credit facilities. Not one of these things is unimportant, but it is difficult to believe that it is ignorance in regard to them which accounts for the unwillingness of governments to adopt the sensible suggestions which League and other institutions have repeatedly put forward in recent years. Substantial improvements in standards of living are likely, at the stage of economic development which the world has now reached, to be impossible unless those who already enjoy the highest standards are prepared to submit certainly

to a relative, and perhaps also to an absolute, deterioration of their present income positions. Mr. Hall, adopting a common view, expresses the opinion that the problem of employment during the depression of 1929–1932 left to governments " virtually no choice but to seek out and to adopt measures to protect existing types of production." It is much to be feared that if the fundamental question indicated above is not squarely faced, they will again, when presented with effective policies for raising standards of living, discover, to their great regret, that they have " virtually no choice " but to do something else.

ALLAN G. B. FISHER.

56*. A SURVEY OF NATIONAL NUTRITION POLICIES 1937–8. [1938. IIA. 25.] 1938. (Geneva: League of Nations; London: Allen & Unwin. 8vo. 120 pp. 2s. 6*d*.)

ONE of the practical recommendations of the Mixed Committee on Nutrition set up by the League of Nations was the establishment of National Committees whose business would be to consider nutrition from the point of view of the special circumstances of the countries concerned; to collect information; to co-ordinate and promote investigation; and to advise as to the practical application of the results of research. Such Committees are now to be found in twenty-one different countries, some newly established, others already with records of admirable work. A meeting of representatives of sixteen National Committees was held in Geneva in October 1938, and the League of Nations has published a report on this conference which summarises the information received and makes a general survey of the action now being taken by Governments for the promotion of improved nutrition.

Research into special nutritional problems, such as the relative nutritive value of common food-stuffs, is likely to remain a primary part of the work of National Committees. On the other hand, Committees are expected to give assistance in response to specific requests and to advise in local difficulties. Encouragement is given through the Committees to the production and consumption of commodities of high nutritive value, particularly milk. The report describes special arrangements for free or cheap food of good quality to different population groups—for instance, to the working people through popular kitchens or restaurants, or to school children, or to nursing mothers and infants through school canteens and welfare centres. High standards for staple foods such as bread, and the adequate supervision of food-stuffs in general are considered essential. Advice regarding diets for general or special conditions is offered by most National Committees.

The fact that many families in lower income groups are unable to purchase sufficient food of the right kind makes the economic aspects of nutrition extremely important. Various means of relief are suggested—*e.g.*, diversification of agriculture, or improved tariff or transport policy. Some countries export surplus farm produce at uneconomic prices, to the manifest disadvantage of their own people, and " internal," rather than external, dumping is advised to remedy this. As the average diet in most countries appears to be ill-balanced and insufficient, the need for education, and for publicity, by all available methods is strongly urged.

Perhaps the most interesting chapter of the report is the series of

short summaries of the work in progress in such differing countries as the United Kingdom, France, Estonia, Egypt, Siam, Venezuela, India, etc. These reports give a vivid representation of the diversity and magnitude of the whole problem, national and international, and leave no doubt as to the fundamental importance of good nutrition to the healthy life of any nation.

JANET CAMPBELL.

57. POPULATION : TO-DAY'S QUESTION. By G. F. McCleary. 1938. (London : Allen & Unwin. 8vo. 222 pp. 6s.)

This is an outline of the study of population with reference to the decline in the birth-rate of the white races. The author does not profess to offer any ready-made solutions to the problem, but he does set out clearly and simply the main facts necessary to its study, and if it cannot be called a cheerful book, at least some of his conclusions are extremely interesting.

R. E. P.

PRE-WAR HISTORY

58*. BEFORE THE WAR : Studies in Diplomacy. Vol. II, The Coming of the Storm. By G. P. Gooch. 1938. (London : Longmans, Green and Co. 8vo. viii + 447 pp. 10s.)

THE second volume of Dr. Gooch's studies in pre-War diplomatic history follows the method already chosen for the first volume. The book is thus a series of essays on Grey, Poincaré, Bethmann Hollweg, Sazonoff, and Berchtold. Dr. Gooch's method has certain disadvantages. It involves a good deal of repetition. It does not allow a full study either of the principal figures, or of others who played a significant part in the formulation of policy. It takes for granted a knowledge of the working of the diplomatic machine, and gives, occasionally, an impression that the international relations of the European States were carried on by a number of people writing to one another, more or less acrimoniously, from different departments of a single office. At the same time there is a great deal to be said for following this diplomatic history from the point of view of each country, and, in the case of the principal actors, for studying their diplomatic activities in relative isolation from the rest of their careers. Moreover Dr. Gooch has shown his usual skill in the arrangement of his material, and the repetition of the main story is always accompanied by some new facts or general considerations which carry on the reader's interest.

The study of Grey is the best essay in the book. Dr. Gooch does not trouble to answer directly the more foolish and malicious attacks made on Grey in Great Britain or elsewhere, but he gives the facts which provide an answer to these attacks. There is perhaps one point upon which an additional sentence of explanation is necessary. It is worth while pointing out that neither Grey nor any other minister in England realised the significance which the Anglo-French military conversations would have to Germans. The part played by the military and naval staffs in determining policy was so very different in Great Britain and Germany that few Germans could understand the control exercised by English ministers over these staffs, while few Englishmen understood that the German General Staff, with the consent of the Emperor, could take far-reaching decisions, such as the adoption of the Schlieffen plan involving the violation of Belgian neutrality, without troubling themselves about the wishes of civilian Ministers.

E. L. WOODWARD.

59*. A Century of Diplomatic Blue Books 1814–1914. Lists edited, with historical introductions, by Harold Temperley and Lillian M. Penson. 1938. (Cambridge University Press. 8vo. xix + 600 pp. 30s.)

This list of Blue Books on foreign affairs is one of the most valuable aids to English historical research which has been published for many years. The student is given the date of presentation to Parliament, and he is also able to learn whether the papers were voluntarily published by the Government or were extorted from it. He is thus given a barometer of opinion on foreign politics, for the Blue Books represented in the nineteenth century the most important source of diplomatic knowledge, though there were of course always unofficial publications and guesses at the truth in the press.

The value of the book is further enhanced by the introductions, in which the editors survey the Blue-Book policy of successive foreign secretaries and give a detailed analysis of Blue-Book omissions on some of the more important topics. They reach the interesting conclusion that, as England became more democratic, government frankness became less. This is partly due to the technical reason that parliamentary answers became more important, and that on occasion negotiations were revealed in debate without being included in a Blue Book, as in Grey's speech after the Agadir crisis; but it is also a striking illustration of the way in which the English oligarchy has met the problem of democratic government. For instance, during the Abyssinian crisis everyone of importance—members of parliament, journalists, employees of the B.B.C., and University dons—knew what was happening to the British fleet; but the man in the street is ignorant of it to this day. In Palmerston's time we should have had a Blue Book.

The study of Blue Books—both what they contain and what they do not—is an important, though laborious, subject of historical research, and it demands just that niggling accuracy which makes it perfectly adapted for university theses. In embarking upon any such study, this book is an indispensable preliminary, and every historian must be grateful for it.

A. J. P. Taylor.

60. Le Drang nach Osten du Congrès de Berlin aux Guerres Balkaniques. By Jean François-Dainville de La Tournelle. 1938. (Paris: Pedone. 8vo. 171 pp.)

The rivalry of the Great Powers in Turkey is one of the most important topics of international history and can never be too much studied. But this book adds little of value to the subject: the record is confused, fragmentary and inaccurate, there is no attempt to explain the issues at stake, and the sources drawn upon are altogether inadequate. If it had been published in 1912 as an explanation of contemporary events, it might have had some value, but it is twenty-six years too late. The author makes one point of interest, though it is by no means novel: that the anti-clerical policy in France, with its consequent breach with the Vatican, lost for France her traditional right as protector of Catholicism throughout the Turkish Empire, and so greatly weakened the French position in the Near East.

A. J. P. Taylor.

BRITISH COMMONWEALTH OF NATIONS

61*. FOUNDATIONS OF BRITISH FOREIGN POLICY. From Pitt (1792) to Salisbury (1902). Or Documents, Old and New. Selected and Edited, with Historical Introductions, by Harold Temperley and Lillian M. Penson. 1938. (Cambridge University Press. 8vo. xxx + 573 pp. 25s.)

DESPITE recent work, British foreign policy in the nineteenth century is still largely unexplored; the Eastern Question is being clarified, thanks not least to Professor Temperley, but for most other problems modern studies are lacking. This generous collection of documents is therefore most welcome; the ordinary reader will enjoy it, and the professional historian will find much that is illuminating. In attempting to cover so much ground in a single volume, the editors have been ambitious—perhaps too ambitious. Had the book kept strictly to its title, it should have been a glorified historical Blue Book, containing all the most famous pronouncements of British policy—Castlereagh's State Paper of May 5th, 1820; Canning's Polignac Memorandum; Lord John Russell's Declaration in favour of Garibaldi's invasion of Naples; Salisbury's Circular of April 1st, 1878, and so on. This would have been a most useful collection. Again, there is crying need for a volume on British policy from 1885 (when the archives are closed to historians less favoured than Professors Temperley and Penson) to 1898 (when the published *British Documents* begin). And a case might be made out for a selection from the various unpublished private papers of Victorian statesmen, which have only recently been made accessible.

The editors have tried to combine all three—and more besides. (The lengthy note on the actual happenings at Fashoda, for example, has little connection with foreign policy, but has been inserted presumably because it was lying on Professor Temperley's desk and it would have been a pity to waste it.) The result is a miscellany as bewildering as a lantern lecture, where the slides owe their appearance to the personal taste of the lecturer rather than to their relevance. " Napoleon," the lecturer will say, " was the greatest soldier France ever possessed; but here is a photograph of a china bust of Marshal Arnaud, given to the lecturer by a niece of Monsieur Thiers. . . . Paris is the capital of France; but here we have a hitherto unpublished photograph of the castle of Angers."

The reader will find many of the details of selection and arrangement confusing. Malmesbury, a nonentity, gets four documents for his short Ministry in 1859; Aberdeen, a much greater man, gets none for his five years (1841–46), and Clarendon puts in but a brief appearance. The beginnings of the Crimean War (1853) precede the revolutions of 1848; Salisbury's overture to Russia in 1898 precedes the Grey declaration concerning the Nile in 1895. The Eastern Question is the editors' home ground; elsewhere there are errors which historians of repute make only when they are not interested in a subject. To take only a few pages: the Austrian Emperor did not flee twice to Innsbruck in 1848 (p. 154)—he fled once to Innsbruck and once in the opposite direction to Olmütz; Charles Albert was not deposed in 1849 (p. 162)—he abdicated; the French had not " already sent troops to support the Pope " before the battle of Custoza in July 1848 (p. 164)—French troops were sent only in May 1849.

The editors include a number of Austrian documents, selected presumably at random; for they can hardly have studied the Austrian archives for the entire period. The experience of other collections of documents (especially *Die Auswärtige Politik Preussens*) is decisively against this practice of publishing foreign documents in a national collection; it leads to duplication and confusion, and is particularly to be regretted when there is such a mass of British material crying out for publication.

It may seem ungrateful to criticise a volume which has attempted so much; but it must be confessed that the reader is on the whole dazzled and tantalised rather than enlightened. A. J. P. TAYLOR.

62*. THE STATUTE OF WESTMINSTER AND DOMINION STATUS. By K. C. Wheare. 1938. (London: Humphrey Milford. 8vo. 328 pp. 10s.)

THIS able survey of the effects of the Statute of Westminster upon Dominion Status should make that much-misunderstood enactment as clear to the layman as it is to the infrequent constitutional lawyer. There has been, Mr. Wheare points out, a failure to appreciate the limited function which the Statute was intended to perform. It forms only part, and not the whole, of the body of rules which affect the Dominions in inter-imperial relations. The Imperial Conference of 1926 and 1930 envisaged two methods of constitutional development within the Empire—change of statutory enactment and change resulting from alteration of conventional rules. The Statute was never regarded as the only instrument whereby the constitutional unity of the Dominions was to be achieved. Its terms were intended to remedy a number of legal inequalities, but these changes would supplement a number of changes occurring outside its framework in the shape of new conventions. The Statute was "part of a process of readjustment and redefinition; its terms did not cover the whole of the subject." Convention or non-legal rules having in practice the force of law would still play an important rôle in inter-imperial relations. It is here that Mr. Wheare's theme becomes apparent. It is not, he says, the isolation of law from convention, but the interaction and cooperation of law with convention which characterises the constitutional structure of the British Commonwealth.

The arrangement of the book is straightforward. The first chapter deals with law and convention, and distinguishes for the reader between those rules of law (why must the author refer to them as rules of " strict law "?) which are recognised and applied by the Courts in disputes coming before them, and those non-legal rules (generally described as conventions) which, though not so applied, have a sanction not necessarily weaker than that of the first class of rules. In the second and third chapters there is a complete restatement of Dominion Status as it was in 1926. The remainder of the book surveys the scope of the Statute and its relation to the various Dominions, including Eire. The final chapter is a summary in which the author draws a number of conclusions.

Mr. Wheare has sought to remove one common source of confusion. Nowhere, he points out, does the Statute purport to abolish the legal power in the United Kingdom Parliament to legislate for the Dominions. All that was attempted was to reconcile the existence of that power with their established constitutional position. The Conference of 1926 resolved simply that United Kingdom legislation for a Dominion

should be passed only with the latter's consent. A subsequent conference elaborated this convention. The Statute, by section 4, provided that no act of the United Kingdom should extend to a Dominion unless it was expressly declared therein that the Dominion concerned had requested and consented to its enactment. But section 4, according to Mr. Wheare, is ineffective *in law* to restrict the United Kingdom Parliament to the sphere of legislating for a Dominion only with its request and consent.

The United Kingdom Parliament has merely to legislate expressly or impliedly for a Dominion not necessarily to repeal section 4, and that legislation automatically frees that Parliament from the restriction at present accepted by it and expressed in section 4. But parliamentary sovereignty, in Mr. Wheare's view, results from the law declared by the Courts, and is destructible by the Courts. If therefore the United Kingdom Parliament should attempt to repeal section 4, expressly or by implication, without the request and consent of a Dominion, the Courts of that Dominion might conceivably reject the "accepted" theory of parliamentary sovereignty and might read the section as a restriction upon United Kingdom power. The author is on difficult ground here, and one queries whether his argument is sufficiently comprehensive; whether he does not attach too great rigidity to the "accepted" view of parliamentary sovereignty; whether, in fact, he might not, with some purpose, have enlarged upon Dicey, who thought it an attribute of sovereign power that the sovereign—in this instance the United Kingdom Parliament—should be able to divest itself of sovereignty by creating a new sovereign as its successor—in this instance, say, any of the Dominions in respect of its own territory. South Africa has expressed this view in its *Status of the Union Act* 1934, which declares the Union Parliament to be "the sovereign legislative power in and over the Union," and proceeds to enact that no United Kingdom Act passed after December 11th, 1931 (the date upon which the Statute of Westminster received the Royal Assent), shall extend to the Union unless extended thereto by an Act of the Union Parliament.

There has been no attempt in the book to deal with the position of the Dominions *vis-à-vis* foreign countries, the author pointing out that the Statute did not deal directly with the relations of the United Kingdom Government and the Dominion Governments, but rather with the relation of the United Kingdom Parliament and the Dominion Parliaments, and the reader is referred on this subject to Professor Hancock's excellent *Survey of British Commonwealth Affairs*. One feels, however, that a brief discussion of the manner in which the constitutional structure of the British Commonwealth has been adapted to deal with external affairs would have rounded off Mr. Wheare's effective treatment of an interesting subject. R. W. G. MACKAY.

63. ULSTER, IRELAND, BRITAIN. By W. S. Armour. 1938. (London: Duckworth. 8vo.* 216 pp. 5s.)

IN this discursive little book the author repeats in various forms the statement that Great Britain is now alone responsible for the continuance of partition in Ireland. This is by no means the whole truth, for the centrifugal policy of the successive Dublin Governments has operated, and continues to operate, against its abolition. The border is, in fact, spiritual as well as political. No British political

party would now oppose a settlement if there was agreement between North and South. The Ulster border is the external symptom of an internal disease which is curable only by Irishmen themselves. No doubt the disease had its origin in British policy, and is nourished even still by British support; to that extent Britain cannot escape liability. To speak of the present political majority in Northern Ireland as "settlers," as Mr. Armour does, is to beg the question. Whatever their origin, they are now as native as the average Dublin citizen whose origin is equally mixed and foreign. Mr. Armour alleges that since 1930 Great Britain has paid to the Belfast Government six millions more than she has received, but gives no figures to justify this conclusion, which would certainly be contested in Northern Ireland. It is a tragedy, as Mr. Armour points out, that, in this hour of supreme crisis, Ireland should be divided in her government and allegiance, but to suggest, as he does, that a solution could be found by a British Commission is to darken counsel and confuse the issue.

JOHN J. HORGAN.

64*. SOME AUSTRALIANS TAKE STOCK. Edited by J. C. G. Kevin. 1939. (London: Longmans, Green. 8vo. ix + 241 pp. 10s. 6*d*.)

THE purpose of this book is excellent. It sets out to explain Australia and Australians to their fellow-citizens in the United Kingdom. In spite of its sturdy tone and its almost exaggerated detachment (which is so often a mark of the Australian academic mind), it implies a wish that Australians should be better and more widely understood. Australian independence is very genuine, but it is blended with a sensitive reaction to British opinions and influence.

Composite authorship has its attractions and its disadvantages. It is hard to judge in this case whether the authors dictated the subjects treated, or vice versa; but it is fair to comment upon the lack of pattern in the book as a whole, and this certainly impairs its value.

The contents include a preface, and nine chapters, dealing consecutively with the aborigines, convict settlement, "wide open spaces" that will so remain, accents, politics, trade policy, export of talent, foreign policy, and migration. In a book of this kind a chapter on convict settlement is out of place, especially when the writer himself remarks that the "influence of conviction on the evolution of Australia was episodic." Nor does a chapter devoted to the aborigines seem very relevant.

Chapter four, "Accents," is disappointingly academic. The social aspect of accents is far more important and interesting than the phonetic. To avoid treating it is to lose an opportunity of service to Anglo-Australian understanding.

The remaining chapters are models of clear exposition, but are critical rather than constructive. W. F. WENTWORTH-SHEILDS.

65*. WARNING FROM THE WEST INDIES. A tract for the Empire. By W. M. Macmillan. 1938. (London: Penguin Press. Sm. 8vo. 184 pp. 6*d*.)

This book first appeared in 1936 and is reviewed in the September issue of this Journal of that year. The present edition contains a discussion of the situation in 1938 and omits the cross references to parallel problems of administration in the African Colonies.

66*. CANADA AND HER GREAT NEIGHBOUR: Sociological Surveys of Opinions and Attitudes Concerning the United States. Edited by H. F. Angus. With introduction by R. M. MacIver. [*The Relations of Canada and the United States: A series of studies prepared under the direction of the Carnegie Endowment for International Peace, Division of Economics and History.*] 1938. (London: Humphrey Milford; New Haven: Yale University Press; Toronto: The Ryerson Press. 8vo. xxxviii + 451 pp. 25s.).

IT is eminently worth while that the labour involved in this book should have been undertaken and the results incorporated in the Carnegie Endowment series dealing with the relations of Canada and the United States. Ample evidence there is in current events that national attitudes are subject to abrupt change, and even the friendly relations of Canada and her great neighbour are by no means static or uncritical.

Nevertheless this book serves a useful purpose, not only because it provides a timely object-lesson in the ability of two nations, rather uniquely placed, to maintain an ample measure of mutual cordiality and respect, but also because it reviews the contacts responsible for the formation of opinion and the evidence of the opinions and attitudes themselves. The material that has been gathered is necessarily of a fluid nature, but the book itself is a valuable contribution for those whose concern centres on the Canadian rôle in what are sometimes regarded as strictly Anglo-American relations.

The book has had the advantage of the editorship of Professor H. F. Angus of the University of British Columbia, who, while confessing to some inherent bias, has in fact given little evidence of any lack of a critical and scientific spirit. Professor R. M. MacIver of Columbia University has written an admirable introduction to the contributions of the many participating scholars, who included H. L. Stewart, Edouard Montpetit, S. Delbert Clark, A. Brady, W. G. Black, Mark McLung, G. M. Smith, Mrs. R. F. McWilliams, J. A. Stevenson, Donald Davidson, and F. H. Soward. COURTLAND ELLIOTT.

67.* CANADA TO-DAY. A Study of her National Interests and National Policy. By F. R. Scott. With a Foreword by E. J. Tarr. Second Edition Revised. 1939. (London and Toronto: Oxford University Press. 8vo. 164 pp. 6s.; to Members of the R.I.I.A., 5s.)

THIS book comprises a paper prepared for the British Commonwealth Conference held at Lapstone, Sydney, last year. The paper was published in book form before the Conference, but it has now been revised in the light of Munich. The interest in this second edition lies in the analysis of the effect of these events on Canada and on the Commonwealth. The main part of the book remains as heretofore an efficient survey of different aspects of Canada's economic, social, and political system, and it emphasises not unduly the diversity of nationalities which constitutes what is often conceived as a united country. The new material which is in the revised part of the book deals with foreign affairs and describes a development in Canada under the influence of Munich towards a national unity. This development is based not on a patriotic call to rally to Britain's aid, nor even on isolationist sentiment, but more on an increasing belief in the right of

Canada to decide questions of foreign affairs for herself. Combined with this belief, which has always had a place in the Canadian makeup, is a growing tendency which is in conflict with her tradition to consider herself as a part of North America rather than a dependency of Britain. As Professor Scott puts it, " The Commonwealth provides the Sunday religion, North America the week-day habits of Canadians." The paper gives an excellent picture of domestic questions and succeeds admirably in providing a reliable and interesting background to our knowledge and understanding of Canada's part in international affairs.

R. W. G. MACKAY.

68*. THE JAPANESE CANADIANS. By Charles H. Young and Helen R. Y. Reid. With a second part on Oriental Standard of Living, by W. A. Carruthers. Edited by H. A. Innis. 1938. (University of Toronto Press; Oxford University Press. 8vo. xxx + 295 pp. 10s. 6d.)

THIS study of the Japanese in Canada is published under the auspices of the National Committee for Mental Hygiene and the Canadian Institute of International Affairs. It shows that the problem is acute, not so much from the number of Japanese in the Dominion (23,000 in a total population of 11,000,000), as from their concentration in the state of British Columbia.

The authors do not hold the view that the increase of the Japanese population is a menace to Canada. The majority of early Japanese immigrants were of marriageable age, and therefore their fertility as a group was exceptionally high. The birth rate is already falling, and in the second generation it is substantially lower, owing to late marriages and the influence of Western ideas. Japanese immigration is limited to 150 per annum under the gentleman's agreement of 1928, which first gave Canada control over the numbers admitted.

The simpler standards of life which enable the Japanese to compete at an advantage with Whites has led to restrictive legislation and discrimination in the basic industries of fishing, lumbering, and mining which they entered on arrival. As a result the Japanese have been forced out of these industries into new fields, particularly agriculture, and into occupations of a commercial nature in the larger urban centres, where their remarkable progress from a wage-earning into a proprietor group has led to increased antagonism over a wide area. These facts are borne out by detailed occupational statistics, and a section on Oriental standards of living is appended. The authors conclude that a quota system of Japanese entry into each occupation would minimise friction and lessen the racial consciousness that now makes their assimilation so difficult.

This volume seeks to present a total picture of the Japanese in Western Canada, and the authors' conclusions are based on an exhaustive study of statistical and case material. They are careful to avoid any trace of racial bias, and their sympathetic treatment, particularly of the difficult problem of the second-generation Japanese, makes this work a distinct contribution to international understanding. An index to the statistical tables would facilitate reference.

GEORGE A. GOYDER.

69*. CANADA'S FOREIGN POLICY. By Marvin B. Gelber. (Reprinted for the *University of Toronto Quarterly*, vol. viii, No. 1, October 1938, pp. 106–113).

EUROPE

70*. Die Revolution des Nihilismus. By Hermann Rauschning. 1938. (Zurich and New York: Europa Verlag. 8vo. 510 pp. *Frs. Swiss* 9; bound, *frs. Swiss* 11).

No one who is seriously interested in the Germany of today can afford to neglect this book. Dr. Rauschning, profoundly nationalistic in his upbringing and his outlook, as the head of Danzig's administration once held something like a privileged position in the councils of National Socialism. His exposition of the aims and methods of the Nazi movement is no mere conjecture; it is based on direct experience, experience which has now impelled him to attempt to warn the world. Dr. Rauschning interprets the perplexing contradictions of Hitlerism so that their significance becomes perfectly clear, *i.e.*, universal disturbance, destructive revolution, whether at home or abroad. A typical Nazi paradox is the policy of artificially stimulating the growth of population while complaining that Germany is over-crowded. Dr. Rauschning examines this in his section called *Mystik des Raumes und Bevölkerungsdruck.* He shows that National Socialism aims at a new distribution of the territory of the world and hopes to bring it about by so greatly over-crowding Germany that the German people almost literally overflows its frontiers, like a flooding river its dams, into the territories of allegedly dying nations like England and France. Meanwhile, in preparation, the circle around Hitler—as Dr. Rauschning often witnessed—plans to undermine the political system and the social structure in every country of the world. The Nazis, as he observed them, are swept along by the forces of destruction which they themselves set in motion; for positive construction they have neither time, desire nor capacity.

Among other things Dr. Rauschning emphasizes the influence of Professor Haushofer, of whom little is known outside Germany, upon National Socialism. As for faults, *Die Revolution des Nihilismus* can only be seriously reproached for its lack of an index; the omission might perhaps be remedied when an English translation appears.

Elizabeth Wiskemann.

71*. From U-Boat to Concentration Camp. The Autobiography of Martin Niemöller: with his further story by the Dean of Chichester. 1939. (London: William Hodge. 8vo. 281 pp. 5s.)

Martin Niemöller's autobiography is an immensely interesting and illuminating book. First we see the submarine commander, who tells the story of his exploits with great objectivity and verve; then we see the German patriot, utterly out of sympathy with the Weimar Republic, retreating to a farm to till the soil; the farm restores him mentally and spiritually; he comes back to serve his country, this time as a pastor; his student days are interrupted by civil war; his hopes are with the new Germany, to which, as he thinks, Herr Hitler points the way. The translation is admirable apart from the repeated solecism of "Rev. Kaehler."

The second part, by the Dean of Chichester, deserves the highest praise; the complicated story of the Church conflict is made plain; the Dean does not give an intimate portrait of the man such as is found in the recently translated *Martin Niemöller and his Creed* (Hodder & Stoughton), but he indicates the consistency of Niemöller's

life, his integrity, his principles, and his courage. The whole book gives not merely an insight into the life and character of the man who in his person epitomises one of the great issues of the day; it also interprets the true Germany that is at once so like us and so different. That Martin Niemöller, once its eager supporter, sits without human hope in a concentration camp is the tragedy of the National Socialist Movement. NATHANIEL MICKLEM.

72. I MARRIED A GERMAN. By Madeleine Kent. 1938. (London: Allen and Unwin. 8vo. 349 pp. 12s. 6*d*.)

73. GÖRING THE IRON MAN OF GERMANY. By H. W. Blood-Ryan. 1938. (London: John Long. 8vo. 292 pp. 15s.)

THE period covered by Madeleine Kent's married life in Germany began in 1931, and ended with her recent return to this country: it thus covers the Nazi *Machtergreifung* and the firm establishment of that power. On the face of it her book records the reactions of a very intelligent and fair-minded observer to that astonishing régime. The implications go further.

Miss Kent belongs to that comfortable and educated section of the middle classes to which this country has been indebted for so many eminent people. It is a class which has no counterpart in Germany, a country too poor to afford it. Hence a fundamental incomprehension for the rougher way of life which facts have imposed on Germany—the tighter organisation, the more rigid discipline, and the harder way of existence.

The really urgent question which a reading of Miss Kent's book poses is this: does this harder living and generally more primitive way of existing in Germany account for those qualities which disgust one in Nazi Germany—the brutality, the absolute will to break an opponent (qualities equally evident, it may be added, in Wilhelmian Germany): or is that those qualities are the result of heredity, and not of environment, and will survive any growth of riches and comfort within the country?

Mr. Blood-Ryan's book on Göring is of a very different calibre. It is written in a rather schoolboyish strain of uncritical admiration.

The author has deeply immersed himself in German phraseology, as is shown in the use of such expressions as "grey theory." On the other hand he treats "dice" as a singular, and "laden" as a present tense. W. H. JOHNSTON.

74*. LE FRONT DU TRAVAIL ALLEMAND. By Jacques Doublet. [*Centre d'Études de Politique Étrangère. Section d'Information. Publication No.* 10.] 1937. (Paris: Paul Hartmann. 8vo. 151 pp. 10 *frs*.)

THIS is a brief outline of the organisations called into existence by the Third Reich to control the activities of the working classes. It gives a summary of the Nazi arrangements and regulations as they stand on paper, with scattered hints that in practice all does not work out according to pattern. For instance, the author notes *en passant* that on certain "Strength through Joy" cruises only a minority of the passengers were working-class people, the rest *petit bourgeois*, the bulk of the workers being too poorly paid to save the modest sum needed to pay for such a holiday. One cannot gather whether or not there is any genuine improvement on pre-Nazi organisations.

A satisfactory treatment of the subject would have to be on different lines. The account of institutions as they stand on paper would be followed by a critical examination of their actual workings adequately furnished with statistics compiled case by case over the whole field. All sorts of material, published for quite other purposes, such as the local press, medical and financial reports, trade and other bulletins, etc., can be made to yield information on the labour situation, which, being often involuntary, is free from propaganda. A model for such an investigation is provided by the recent study of the Italian Corporative State entitled *Under the Axe of Fascism*, by Professor Salvemini.

I. M. M.

75. Europe in the Melting Pot. By Vladimir de Korostovetz. 1938. (London: Hutchinson. 8vo. 320 pp. 10*s*. 6*d*.)

M. de Korostovetz is a Ukrainian nobleman, formerly employed in the Imperial Russian Foreign Office. During the Revolution, his mother was murdered by the Bolsheviks, and he himself cast out from his fatherland. He has seen Bolshevism in action and encountered its leaders; not unnaturally, he sincerely believes that the present Russian Government is "the world's chief mischief-maker," and ardently supports those who proclaim themselves the enemies of Moscow.

This book, then, is essentially an indictment of Russian Communism and, incidentally, a panegyric of German National Socialism. It is based on the author's own observation; it contains his personal opinions and judgments and lays claim to no higher authority. M. de Korostovetz himself calls it "a humble book." For my part, I should describe it as earnest and sincere propaganda by one whose judgment and sense of proportion have been impaired by bitter sorrow and dreadful experience.

A. S. Hedderwick.

76. La Désagrégation de l'Europe. By Francesco Nitti. 1938. (Paris: Editions Spes. 8vo. 566 pp. 25 *frs*.)

Ever since Signor Nitti became a responsible though unwilling party to the Peace Treaties of Paris in 1919—he had resigned from office as Prime Minister very soon after the negotiations started, only to be called to the head of affairs again just in time for the signing—he has not ceased to proclaim the futility, the injustice and the evil spirit of the way the Great War was settled. Unhappily, his misgivings have been outrun by the course of events. One by one the disintegrating forces of Marxism, of Fascism and of Nazism set upon the body politic of Europe.

In his new book, Signor Nitti, from the point of view of the veteran liberal and democrat that he is, examines closely these political systems. Italian Fascism differs fundamentally from the other two as it is not a genuine movement of the masses; according to him, it is merely an adventure, not a revolution—a change, and not a transformation.

Signor Nitti finds that the remedies suggested in the democratic countries threaten to make matters worse. How could the proposed "economic plans" be worked, he asks, without either complete communism or a water-tight closed economy? And syndicalism, or political trade-unionism, as begun to be practised in France, would so prejudice production and lower the standard of living as to lead to national collapse or to dictatorship.

A renaissance of liberty and the principles of public morality he sees as the only means to save civilisation.

E. A. Alport.

77. HERITAGE OF YESTERDAY. By Richard von Kühlmann. 1938. (London: Hodge. 8vo. 200 pp. 7*s.* 6*d.*)

On the face of it, Baron von Kühlmann seems merely to have filled two hundred pages with vague, platitudinous, and frequently inaccurate statements about the chief countries of the globe. Behind the lines, however, the wary can detect certain foreshadowings of Nazi purposes and policies which are no doubt the *raison d'être* of an otherwise purposeless-seeming book. For instance, after explaining that Mussolini was no longer prepared to support Austria against Hitler, the author concludes: "There is every reason to hope that a permanent improvement, based on mutual good will, in the relations between Germany and Austria, will set in." This was published in April 1938. I. M. M.

78. ZULU IN GERMANY. By Usikota. 1938. (London: Gollancz. 8vo. 191 pp. 6*s.*)

The letters and articles of a Zulu reporter recording his travels in Nazi Germany. A satire modelled on Montesquieu's *Lettres persanes*, but not well done.

79*. WELTANSCHAUUNG, WISSENSCHAFT UND WIRTSCHAFT. By Werner Sombart. 1938. (Berlin: Buchholz und Weisswange. 8vo. 46 pp.)

The permutations and combinations of the association between learning, economics, and a general view of life.

80*. STAATSVERTRETER VOR INTERNATIONALEN SCHIEDSGERICHTEN. By Dr. Hans Rupp. [*Neue Deutsche Forschungen*, Band 17]. 1938. (Berlin: Junker und Dünnhaupt. 8vo. 125 pp. *Rm.* 5.50.)

81*. DIE DEUTSCHE DEVISENGESETZGEBUNG IM INTERNATIONALEN PRIVATRECHT. By Klaus Koeppel. [*Neue Deutsche Forschungen*, Band 5]. 1938. (Berlin: Junker und Dünnhaupt. 8vo. 157 pp. *Rm.* 6.80.)

82*. DIE GRUNDGEDANKEN DES NATIONALSOZIALISMUS UND DAS AUSLAND. By Dr. Herbert Scurla. [*Schriften der Hochschule für Politik*, Heft 37]. 1938. (Berlin: Junker und Dünnhaupt. 8vo. 24 pp. 80 *pf.*)

83*. DIE HISTORISCHEN GRUNDLAGEN UNSERER BEZIEHUNGEN ZU FRANKREICH. By Professor Dr. Friedrich Grimm. [*Schriften der Hochschule für Politik*, Heft 35]. 1938. (Berlin: Junker und Dünnhaupt. 8vo. 28 pp. 80 *pf.*)

84*. KARPATHENRUSSLAND: ein Kapitel Tschechischen Nationalitätenrechts und Tschechischen Nationalitätenpolitik. [*Heidelberger Akten von der Portheim-Stiftung* 25]. By Dr. Hans Ballreich. 1938. (Heidelberg: Carl Winter. 8vo. 103 pp. *Rm.* 5.40.)

THIS little book traces in great thoroughness the legal and constitutional issues involved in the Czech effort to make Ruthenia a useful and spontaneous member of the Czecho-Slovak Republic: writing from the German angle, Dr. Ballreich is naturally more inclined to stress the struggle of the Ruthenians to throw off all connection with the Czech dictatorship.

Dr. Ballreich goes over the well-worn ground—the divided state of the country in 1918 and the influence of the American emigrants: the rule of the country by Czech officials, the failure of the Ruthene diet, and the petitions to the League of Nations.

Unfortunately Dr. Ballreich's thoroughness confines itself t destructive criticism: at one point he suggests that the countr should have continued as part of Hungary: while his conclusion that only by autonomy can the country develop its native cultur What the reader would wish to know is Dr. Ballreich's formula for th happy working of an autonomous member within a sovereign State a formula superior to that designed by the powers at the Peace Con ference. G. MICKLETHWAIT.

85*. DIE TSCHECHOLOWAKEI FUR EUROPA GEOPFERT – VERGEBENS 1938. (Zurich and New York: Europa Verlag. 8vo. 50 pp *Frs. Swiss* 2.20.)

Summarises events leading up to the Munich Agreement, while deplo ing the subsequent settlement.

86*. GRUNDLAGEN UND GRUNDFRAGEN EINES MITTELEUROPÄISCHE VOLKSGRUPPENRECHTS. By Kurt O. Rabl. [*Recht und Sta in Geschichte und Gegenwart*, Nr. 122]. 1938. (Tübinger J. C. B. Mohr. 8vo. 46 pp. *Rm.* 1.50.)

Discusses the fundamental difficulties attaching to a satisfacto settlement of the minorities question in Central Europe, especially in vie of the settlement arrived at in Czecho-Slovakia.

87*. DISGRACE ABOUNDING. By Douglas Reed. 1939. (London Cape. 8vo. 10s. 6*d*.)

MR. REED is a comprehensive hater, and he does not always troub to make his hatreds consistent. He attacks with impartial vigou and bitterness the Nazis, the Jews, the British Labour Party and th "Old School Tie". The defect of his latest work, its indiscriminat prejudice and the savage tone in which it is expressed, screams alou for an answering protest. But this defect is, after all, superficia The important thing about this book, as about its predecessor, *Insanit Fair*, is that the author, basing himself on a close knowledge of Sout Eastern Europe, gained as correspondent of *The Times*, and a clea appreciation of the foreign situation, says things which need to be sai about Munich and recent British policy, in a style calculated to awake the most somnolent. Those who do not like to feel uncomfortabl but prefer to listen to an Ahab's chorus of consolatory false prophet should not read it. Everyone else should. It is a badly arranged work The sequence of the chapters has the incoherence of a shuffled pack c cards; they jump suddenly away from one subject and back agai The author's case against the British Government is rubbed in wit vinegar and wormwood, and he is, in my opinion, mistaken and unfa in the motives he imputes to its leaders. But it is not a case whic can be met merely by objecting to Mr. Reed's style and manner. . dispassionate reader cannot fail to admit that the book is full of highl disconcerting fact, and, while he may hope that its gloomy forecas of the future will not be fulfilled, he must acknowledge that many c the author's earlier prophecies have already come true. In on matter they have been outdistanced, for even Mr. Reed did not fore see the total obliteration, as opposed to the vassalage, of Czech Slovakia. Yet he comes unpleasantly near it.

"If you know what has been guaranteed, write and tell me. . . . What wou you do if Germany suddenly pocketed Prague, pocketed what remains of Czech slovakia? Debate whether the aggression had been provoked? Marvellous."

G. M. GATHORNE-HARD

88*. DANUBIAN DESTINY. By Graham Hutton. 1939. (London: Harrap. 8vo. 254 pp. *7s. 6d.*)

MR. GRAHAM HUTTON here attempts to indicate in general terms the consequences for the rest of Europe, and for the world as a whole, of the *Anschluss* of March and the Munich Agreement of September 1938. The prospects which he outlines are bleak and unattractive, but unfortunately in these days those are characteristics which frequently go with truth. Danubian destiny is, it is argued, the same thing as European destiny, for the fate of Europe inevitably depends on the course of events in the Danubian countries. German and Italian strategy are based on the hypotheses (i) that a general European war should be avoided by a diplomacy which, however, takes the risk of threatening such a war in order to secure "peaceful" successes, (ii) that if, by some accident, such diplomacy should provoke a war, it must be a lightning effort, based on the accumulation of enormous reserves of foodstuffs, industrial raw materials and munitions, and assured of such prompt success that there will be no time to bring into play the slowly moving but fundamental forces which in a prolonged struggle would ensure the defeat of the Axis Powers. From the point of view of either hypothesis, the control of the Danubian area and the countries beyond plays a crucial part.

Those who already share Mr. Hutton's general point of view may think that here and there his book shows signs of haste in preparation, to which he might quite fairly reply that these are strenuous times, in which we must make up our minds quickly. *Danubian Destiny* may, however, be most strongly recommended to any (if such still survive) who feel complacent about the future of Europe. A. G. B. F.

89*. CHRONIQUE DES ÉVÈNEMENTS POLITIQUES ET ÉCONOMIQUES DANS LE BASSIN DANUBIEN, 1918–36: AUTRICHE. 1938. (Paris: Institut International de Coopération Intellectuelle. 8vo. 178 pp.)

This handbook, prepared by the Austrian Institut fur Konjunkturforschung, contains a chronology of economic events in Austria from 1918 to 1936, together with a brief summary of political developments in the same period. The events are grouped under eight headings, such as foreign trade and public finance. Some of these sections run to thirty or forty pages, and rather suffer from the absence of an index. Similar chronologies are to be published dealing with each of the other Danubian countries. B. S. KEELING.

90. 'Ανδρέου Μ. 'Ανδρεάδου "Εργα II. Μελέται ἐπὶ τῆς συγχρόνου 'Ελληνικῆς δημοσίας οἰκονομίας. (Works of Andrew M. Andreades. II. Studies of Contemporary Greek Public Economy). Published by the Law Faculty of the University of Athens, edited by K. Ch. Barbaresos, G. A. Petropoulos and I. D. Pintos. 1939. (Athens. 4to. 649 pp.)

THE late Professor Andreades was intellectual liaison officer between Great Britain and Greece. No other Greek had such a knowledge of modern English history and statesmen from Salisbury to Snowden; he wrote a history of the Bank of England, which won praise from Mr. Norman; and the reviewer, who knew him for thirty years, can testify to his impartial views of politics.

This volume comprises twenty-five lectures and articles, all in Greek except six in French, tracing, with some repetition, the economic progress of Greece during the forty years prior to 1923, when the

advent of the refugees changed the situation. The two economic problems, currency and currants, are fully discussed. "The era of the great loans" from 1879 to 1890, caused by repeated mobilisations, had as its sequel the so-called "bankruptcy" of 1893, when Greece paid only 30 per cent. on the coupons, just as now she pays only 40 per cent. of the 7 per cent. interest on the refugees' loan. Largely owing to pressure from the German bondholders, there was applied the remedy of the international financial control in 1898, which still continues, and, according to Andreades, benefited Greece as well as her creditors. He criticised Trikoupes for "his haste in constructing expensive railways, sometimes of no immediate productiveness." That great statesman, like Venizelos, was too big a man for a small country, *un géant dans un entresol.* He benefited agriculture by suppressing the tithe, and making railways; but the motor-car in the Peloponnese, and aviation in Northern Greece, are formidable competitors, which he could not foresee. Re-afforestation, so much needed in a land of goats and forest fires, has been promoted this year by the "Green week" of February, when thousands of trees were planted. But if there were too few trees, there were too many currants. The closing of the French market and overproduction caused the currant crisis of 1893; there followed, however, a large importation to Britain, still, despite Australian and Californian competition with Corinth, the largest purchaser, though tobacco, which mainly goes to Germany, is the biggest Greek export since the annexation of Kavalla. The history of the merchant marine is fully told; its new era began with the Transvaal war, which profited Greek shipowners. The decline of Constantinople has latterly made the Piraeus the third port of the Mediterranean.

"Of all the branches of economic activity, industry is that which had the greatest difficulty in developing." Greek individualism—*Atomismós*, as it is called—was an obstacle to the formation of companies, which began only in 1904. For the highly intelligent Hellenes do not take kindly to teamwork. Most big fortunes have been made abroad; many public institutions at Athens were founded by "outside Greeks"; but now Athens boasts such big industries as the Papastratos tobacco-manufactory. Incidentally the history of the postal service is narrated; another chapter will soon be added by the erection of a new central post office. Lignite has latterly somewhat compensated for the lack of coal, and, since Andreades wrote, the University of Salonika has been founded to provide technical education for the new provinces, whereas, as he showed, in Thessaly at the time of its annexation in 1881 there were no roads and only one manufactory, big estates and no small-holders. *Latifundia* no longer exist there. Of special interest to British readers, are the allusions to the draining of the Copaïs by a British company. WILLIAM MILLER.

91. EXILES IN THE ÆGEAN. By Bert Birtles. 1938. (London: Gollancz. 8vo. 412 pp., illus. 16s.)

MR. BIRTLES relates impressions of travel in Greece since the restoration. There are glimpses of the experiences of the author, an Australian, and his wife in Athens and elsewhere, as at Hermione and Kephissia, including an appearance in court on a trifling technical charge. Politics form his main theme, and he gives, with comments, a summary of the recent political history of Greece, especially the general strike and the tragic events in Salonica. He criticises the

weakness and indecision of the Liberal leaders, and gives a vivid picture of Kondyles. As a Communist in politics, he was specially interested in visiting some of the islands to which Communists and other opponents of the present and preceding régime have been exiled. The descriptions of their collective life and the accounts of their careers and experiences are most human documents. He also records the views of some of the leaders of the Greek Communist party.

The book as a report of personal experiences and opinions is definitely one to read. It would, however, have been improved, if the three parts, " Restoration of the Monarchy," " In Exile," and " The Drift to Fascism," into which it is divided had been better composed and co-ordinated. He seems to have an imperfect acquaintance with Greek, for Greek words and names are often oddly spelt. Some remarks, too, seem to show that he did not realise that the average standard of life and comfort in Greece is low in comparison with that of other countries with a longer enjoyment of political independence.

A. J. B. WACE.

92*. GOVERNMENT IN FASCIST ITALY. By H. Arthur Steiner. 1938. (New York and London: McGraw Hill. 8vo. xii + 158 pp. 8*s.* 6*d.*)

PROFESSOR STEINER has written a careful, accurate and comprehensive book on Italian Fascist institutions and methods of Government. As the writer of the foreword says, the book has " the freshness of first-hand observation, but observation guided by critical reflection and intellectual discipline." Many students have catalogued the institutions set up by Mussolini, and many journalists have portrayed the Fascist régime admiringly or disparagingly. But Professor Steiner outlines the institutions while probing into their actual working. He bases his narrative chiefly on Italian official statements and statistics, and examines critically what the Fascists claim to have done; he does not go far into the question whether they have done it, taking it rather lightly for granted that the Price Control Committee (for example) can effectively fix prices, and the Fascist Government, accordingly, vary the production costs of industries almost at a moment's notice to suit its own ends. Even the Fascist Party has difficulty sometimes in getting its orders across to those engaged in industrial and agricultural productions. But Dr. Steiner has interrogated men, newspapers, and books about what Fascism professes to do and makes it his first task to examine these professions with a keen glance at what is incoherent in them. He sees Mussolini heading for " the Left," and thinks he can only preserve equilibrium by being a genuine workmen's leader.

Among the best features of this book are a number of carefully interpreted statistics showing (for example) the Corporations at work.

C. J. S. S.

93*. THE RISE OF ITALIAN FASCISM. By A. Rossi. 1938. (London: Methuen. 8vo. xvi + 376 pp. 15*s.*)

THIS is an important book, and should be read by everybody interested in the subject. There have been many explanations of the rise of Fascism, most of them too simple or too partial. Signor Rossi does not make the common mistake of plumping for one cause to the exclusion of the others. Nor, although an exile and an opponent of the régime, does he allow his political views ever to obscure his historical judgment. His book is a detailed account of Italian politics from the end of the Great War to the so-called March on Rome—a march in

which the leader travelled by *wagon-lit* and his few followers arrived after the battle was won by train and tram.

The chief impression left with the reader is how very far from inevitable was the victory of Fascism. There were, it is true, powerful causes which combined to favour its success. Post-war disillusionment, an economic crisis, the resistance of the property-owning classes to Socialism, and the exasperation of the *bourgeoisie* at seeing themselves crushed between the upper and nether millstone, were the fundamental factors which played into Mussolini's hands. But at any moment Fascism could have been checked if the political parties had shown a little less ineptitude, if the forces of the left had sunk their differences, or if there had been one man with the courage and intelligence to appeal to all the elements—still in the vast majority—who were attached to the Constitution. The Fascists won because they stopped at no violence and were able to terrorise town and country with the connivance of the police and military. But by the time Mussolini received his invitation from the King there was already a growing reaction against their violence, and it seems probable, if the order for martial law had been issued which Victor Emmanuel twice refused to sign, that Fascism would have been destroyed with a whiff of grapeshot. It could never have stood up—and Mussolini knew it—to the armed forces of the State, which by that time were quite ready to put it down.

Not the least interesting part of Signor Rossi's book is the light which it throws on Mussolini, and his relations with the Fascist movement. It shows the Duce as first and last a political tactician, capable of any inconsistency—if the word can be applied to a man so utterly contemptuous of doctrine—of any compromise, and any sacrifice of friend or principle, so long as it served to bring him nearer power.

GEORGE MARTELLI.

94. ITALY. By Robert Sencourt. [*Modern States Series*, No. XVII.] 1938. (London: Arrowsmith. 8vo. xiv + 130 pp. 3*s*. 6*d*.)

MR. SENCOURT'S book appears at a moment when interest is particularly centred on Italy and her future. It contains in a concentrated form much valuable information. The history of the ceding of Savoy and Nice to France is of topical interest and perhaps not so well known as one is apt to think. But one looks in vain for an account of the selling of Corsica to the French by the Genoese in 1768. We have had many books on the Fascist régime for the general reader. Few, however, have dealt so concisely with the fifty years immediately preceding the introduction of Fascism, particularly in regard to Italy's colonial problems. The book reviews Italian and French rivalry in Tunis, Algeria, Tripoli and Egypt, where Italians predominated in numbers up to the middle of the nineteenth century, also Italian colonisation on the Red Sea. All this finally leading up to an agreement with France over Tunis in 1935 (the treaty which is now denounced by Mussolini), and finally the Abyssinian war. I touch on only a fraction of the interesting matter contained in this little book.

ANNA STURGE.

95. BRITAIN IN SPAIN: A Study of the National Government's Spanish Policy. By The Unknown Diplomat. 1939. (London: Hamish Hamilton. 8vo. 270 pp. 3*s*. 6*d*.)

THIS book is written to a thesis: the National Government's Spanish policy has been one of consistent encouragement of Italo-

German aggression, to which end only it invented and kept alive Non-Intervention. The author's denial that there was ever anything "civil" about the war shows him imperfectly informed of the Spanish background, his refusal even to consider any charges against Russia implies manipulation of the evidence, and his omission to give chapter and verse for essential documents allows him to contend, *e.g.*, that the sending of Italian and German troops was a violation of the original Non-Intervention Agreement (p. 34), or that the granting of belligerent rights was a primary condition of the Anglo-Italian Agreement (p. 165). Diplomacy, in fact, is much more complex, if not more creditable, than the unknown diplomat cares to admit. His *parti pris* is regrettable, for he might well have written an authoritative contribution to a vital subject. Enough would have remained, in all conscience, for misgiving. WILLIAM C. ATKINSON.

96*. THE TRUTH ABOUT SPAIN. By H. R. G. Greaves and David Thomson. 1938. (London: Gollancz. Sm. 8vo. 95 pp. *2d.*)

A pamphlet tracing, from a Labour point of view, the course of events in Spain, and advocating intervention.

97*. WAS GEHT VOR IN DER WELT? By Konrad Falke. 1938. (Zurich and New York: Verlag Oprecht. 8vo. 47 pp. *Frs. Swiss* 2.20.)

A lecture given in Switzerland in the autumn of last year, summarising the results of the Munich Agreements, and re-affirming the importance of Swiss independence as a bulwark of democracy.

98*. DENMARK'S DAY OF DOOM. By Joachim Joesten. 1939. (London: Gollancz. 8vo. 288 pp. 7*s.* 6*d.*)

MR. Joesten's book will not impart an objective knowledge of Denmark's complicated political position; it is too emotional and personal for that; but it is well written, and could form a convenient starting-point for a survey of the problems of the Baltic. The task of being Foreign Minister of a small State is, in our troubled times, a very difficult one, and this Mr. Joesten does not take sufficiently into account, and he seems to overlook the real objection to be raised against Dr. Munch's alleged over-conciliatory policy: that it, in the end, would prove a useless sacrifice. For two reasons: Danish agriculture is highly dependent on supplies of fodder and fertilisers which would be lacking once Denmark became included in a blockaded area, and the country, indeed, would be a "larder" only which remains empty when the stored goods are consumed; and then the Danish peasant, a Scandinavian, after all—as Mr. Joesten once used to know—would not accept any "totalitarian" rule, however veiled, and is sure to revolt, whichever the odds. On the other hand, if it were a question of re-ceding "Sönderjylland," a compromise might not seem out of hand; but would this satisfy the Germans? Mr. Joesten gives details about Danish rearmament; an issue that has, in Denmark as elsewhere, a home and a foreign aspect which are not easy to reconcile. The book also deals at length with the chances of an effective cooperation of the Nordic States, rightly points out the interest which the Swedes take in Danish independence and, above all, shows again how much they all expect to be led by Great Britain.
S. ENGELSTED.

99. Le Conflit Religieux et Scolaire en Alsace et en Lorraine (1936–1937). Avec une préface inédite de Son Excellence Mgr. Ruch, Évèque de Strasbourg. By Antoine Lestra. 1938. (Paris: Fédération Nationale Catholique. 8vo. 143 pp. 7 *frs.*)

In August 1936 the Front Populaire Government raised the school-leaving age in France from thirteen to fourteen. In Alsace and Lorraine the school-leaving age for boys was already fourteen, though the girls were sent out on to the labour market at thirteen, as in the rest of France. The reason for the extra school year for the boys was that four weekly teaching periods were given to instruction in German and three to religion, neither of which subjects figured in the elementary-school curriculum of the rest of France. If the boys of Alsace and Lorraine were to cover the enlarged syllabus rendered necessary by the extra school year, it was obvious some special arrangement must be made. Interpreting the law in practical terms, M. Blum in October ruled that the school-leaving age for boys in Alsace and Lorraine should be raised to fifteen. The regulation roused a storm of protest from employers, backed by the clergy.

In February 1937, in reply to this offensive, M. Blum threw out the suggestion that the only other alternative would be to devote the whole of the thirty weekly teaching periods to the curriculum as prescribed for the whole of France, giving the seven periods of instruction in German and religion as extra school hours. He had stirred up a hornets' nest. The present work recounts how the bishops mobilised the parish priests, the press, the employers, the peasants, the women, the university students, the Protestants, even the Jews in a violent campaign against interference with the confessional school. The narrative is unashamedly partisan, and the tone one which the Catholics on the other side of the Rhine no longer venture to adopt towards their Government. It provides an interesting footnote to the recent disclaimer of anti-semitism on the part of the Vatican. An anti-semitic undertone pervades the whole pamphlet, M. Blum is singled out for personal attack, is several times described as "insolent," and finally dismissed in the following terms: "Son excuse est d'appartenir à la race déicide, de n'avoir pas reçu la grâce du baptême et, pour reprendre les expressions de M. Caillaux au Sénat, de n'avoir pas 'de terre française à la semelle de ses souliers.'"

The fall of the Front Populaire in July 1937 put an end to the project of raising the school-leaving age for boys in Alsace and Lorraine.

I. M. Massey.

100*. La Structure Économique de la Suède et de la Belgique: essai d'économie comparée. By J. Jussiant. [*Collection de l'École des Sciences Politiques et Sociales de l'Université de Louvain*]. 1938. (Brussels: L'Edition Universelle. 8vo. xx + 600 pp. 100 *frs. belges.*)

This volume is an exhaustive survey of the natural resources, population, industries, standard of living, and public finances of Sweden and Belgium. Perhaps the materials carefully assembled in these 600 pages would have yielded a more effective result if M. Jussiant had adopted a different method of comparison. Seventeen of the twenty-four chapters are devoted to a description of each industry in turn; but it would have been better to treat these details

as means of illustrating the main distinguishing features of the two countries.

Comparing the populations, the author shows that the Swedes on the average are healthier and live longer than the Belgians. The infantile mortality rate in Belgium in 1933 was nearly double that of Sweden, whereas the illegitimacy rate among the Swedes in the period 1926–30 (16 per cent. of the total number of births) was four times as high as in Belgium (4·04 per cent.). To interpret these contrasts one must take into account the whole sociological background of the two peoples.

Another instructive section of the book deals with consumption habits and their influence on the relative prices of foodstuffs. For example, the consumption of milk, cream, and sugar per head of the population in Sweden is double what it is in Belgium, while potatoes are a much more important constituent of diet for the Belgian than for the Swede. Here we are in the realm of tastes and, therefore, very conscious of the difficulties of international comparisons of levels of living.

Nevertheless, M. Jussiant has good reasons for concluding that Sweden has the higher standard of living. His study leads him to draw certain morals for his own country, such as the need for an improvement in the educational system and more "political discipline." Though both are small nations situated in the same part of the continent, one has the impression that the differences are so profound that the Swedish example is not very relevant to Belgian conditions. BRINLEY THOMAS.

101*. DEMOCRATIC SWEDEN: a Survey of the Swedish Political and Economic System. A volume of studies prepared by members of the New Fabian Research Bureau. Edited by Margaret Cole and Charles Smith. 1938. (London: Routledge. 8vo. xi + 334 pp. 12*s*. 6*d*.)

THE New Fabian Research Bureau is to be congratulated on having produced a distinguished piece of work. Most of the collaborators show judgment and understanding of their subjects and an appreciation of the fact that the present state of Sweden is only in part due to the wisdom of its Socialist Government. They admit that democracy in Sweden owes much to specific circumstances: the nature of its industrial development, its even distribution of wealth, the favourable ratio between size of population and natural resources. Several writers emphasize the fact that the evening out of incomes in Sweden is the result of a social evolution which has taken place within the memory of the present generation. The authors also make it quite clear that Sweden is only very partially socialised, and there is much speculation as to her further progress along this road.

Mr. Gaitskell in his account of "Banking and the Monetary Policy" calls this Socialist without the slightest hesitation. It is, however, significant that in this particular respect the government's policy meets with universal approval both in Parliament and in financial circles outside. Mr. Geoffrey Wilson deals with the Budget and Public Works and mentions the present attempt to counteract the effect of trade fluctuations by budgeting for several years ahead on the assumption that the good and bad years will level out. Mr. G. R. Mitchison's admirable study of the cooperative movement places this in its true relation to the general economic life of the country

without seeing in it, as so many American writers have done, the foundation upon which all Swedish prosperity is built.

There may be much justification for Mrs. Cole's criticism of Swedish State Education. But it is evident that she has misunderstood many things owing to insufficient knowledge of Swedish. Her references to women's higher education are misleading. The weakest chapter in the book is the one dealing with Publishing, Press and Radio. There again the language difficulty comes in. It is a little surprising to find no mention of the arts. Sweden is doing particularly interesting work in architecture and the theatre arts. And the State organisation for encouraging and for selling the remarkable peasant art of Sweden is an activity worth looking into. ANNA STURGE.

102*. HOW SWEDEN OVERCAME THE DEPRESSION, 1930–1933. By Arthur Montgomery. 1938. (Stockholm: Alb. Bonniers Boktryckeri. 8vo. 91 pp. 4 *Kr.*)

103. VERGLEICH DES WIRTSCHAFTSAUFSTIEGS IN GROSSBRITANNIEN, DEN VEREINIGTEN STAATEN UND SCHWEDEN 1932–1936. By Per Jacobsson. [*Kieler Vorträge gehalten im Institut für Weltwirtschaft an der Universität Kiel, Heft* 56.] 1938. (Jena: Gustav Fischer. 8vo. 19 pp.)

THE subject of Sweden's recovery from the great depression has attracted widespread attention, and it has been natural for investigators in other countries to inquire how far it is possible to adapt to a different set of circumstances Swedish policies which are believed to have had such admirable consequences at home. Some Swedish writers have shown a disposition to greater caution, suggesting that the degree of success registered in Sweden in getting out of the worst difficulties of the depression is to be explained more in terms of the commodities which she found it expedient to produce, and of the consequent relatively advantageous position which she occupied in export markets, than in terms of the innovations in policy which have naturally attracted so much attention elsewhere. Professor Montgomery, a Swedish economist who is at present working in Finland, rightly insists upon the necessity of placing Swedish depression policy in the background provided by the story of her general economic development, and after a careful analysis he tends on the whole to come down on the side of caution. "Swedish unemployment and financial policy did not play any very conspicuous part in actually bringing about the 'up-turn' of the trade cycle in 1932 and 1933," and although "monetary policy was of fundamental importance to the economic revival that gradually led to the high prosperity of 1935 and 1936 . . . the fact that the recovery was so extensive and developed with such comparative rapidity into real prosperity was due in a large measure to the favourable competitive position which Sweden's industry enjoyed in the international market," a point of view which is also shared by Dr. Jacobsson in his interesting comparison of trends in Great Britain, the United States and Sweden.

A country which wishes to purchase relative immunity from the worst consequences of trade depressions should concentrate upon the production of goods which are likely to be relatively little affected by disturbances in trade policy. Unfortunately it is obvious that this policy cannot be followed by all countries at the same time, but further study of its implications might throw some light on aspects of international economic cooperation as a defence against trade fluctuations which have hitherto been little considered. ALLAN G. B. FISHER.

104*. FINLAND. By J. Hampden Jackson. 1938. (London: Allen and Unwin. 8vo. 243 pp. 8s. 6d.)

FINLAND, for long overlooked by the tourist and writer, has recently received her full share of attention from both. Mr. Hampden Jackson's book is the latest English work on Finland and, in the reviewer's opinion, the best yet published.

An able and impartial historian, Mr. Jackson has the blessed gifts of lucidity and conciseness. In a little over 200 pages he gives a masterly account of the country from the first century A.D. down to the present day; and yet, despite its wealth of authoritative information, the book makes easy reading for expert and general reader alike.

Mr. Jackson seems to have touched on every conceivable aspect of Finnish life, and his handling of such thorny subjects as the Civil War, the failure of Prohibition, and the Lapua (Fascist) Movement is of outstanding interest. But to me the most impressive thing in the book is undoubtedly the chapter entitled *The Condition of the People*, where the author in passages of brilliant descriptive writing shows his intimate personal knowledge of the Finns and their mode of living.

As is almost inevitable in a work of this kind, a few unimportant misprints have crept into the text, and very occasionally Mr. Jackson writes something which, if not obviously wrong, is at least open to question. But the book as a whole deserves the highest praise as a work of careful research and sound scholarship. H. M. BELL.

105*. FOREIGN CAPITAL IN POLAND. By Leopold Wellisz. 1938. (London: Allen and Unwin. 8vo. 281 pp. 7s. 6d.)

TO people interested in the economic position of Poland, and especially those who have contemplated or may contemplate commercial or financial transactions with that country, this book should be invaluable. Poland is a country rich in natural resources, but poor in capital for development, and therefore should offer a promising field for foreign investment. This may take the form of subscriptions to State or local government loans, credits to industrial and commercial enterprises, or participations in private undertakings.

The first part of the book surveys the natural wealth, population and labour resources of the country. The second part gives in considerable detail, illustrated with numerous tables, the foreign indebtedness of Poland, with particulars of all foreign bond issues. The final chapters provide useful information on Poland's external and internal political situation, her external trade and balance of payments, and close with a sort of prospectus of openings for foreign investment.

Prospective investors will do well to remember, however, that Poland has not an irreproachable reputation as a borrower. It is admitted on page 70 that "A general embargo on the transfer of the service of public and private foreign indebtedness was promulgated in 1936," and this was later translated into a unilateral partial default on the £ tranche of the Stabilisation Loan. While this matter has since been amicably settled, the manner of the default has weakened Poland's credit. L. E. HUBBARD.

106*. DIE DÄNISCHE BELTSPERRE 1914–1918 UND IHRE VÖLKERRECHTLICHE BERECHTIGUNG. By Erik Brüel. 1938. (Leipzig: Hans Buske. 8vo. 120 pp. *Rm.* 4·50.)

DR. BRÜEL'S study is concerned with a question of great interest. The geographical position of Denmark in the last War rendered the

maintenance of her neutrality difficult. Passages through the Great and Little Belts and the Sound were an invitation to both belligerents. Immediately upon the outbreak of the War, the German Government proposed to Denmark that the passages should be blocked by mines laid by Denmark, or by Germany if the Danish Government was unwilling to lay them. The proposal raised the question of Danish neutrality with regard to England. But as the result of a diplomatic sounding in London, supported by an exchange of personal messages between the two reigning kings, English assent was obtained. Denmark then proceeded to block all three passages.

Dr. Brüel is mainly concerned with the legal questions involved, and his monograph is not for the general reader. His exposition is clear but apt to be repetitive in places. The final chapter examines the possible position that would arise in any future hostility.

There is a slip on p. 43 where Dr. Munch is described as Minister of Foreign Affairs at a time when he was Minister of War.

K. V. Bailey.

107*. Nordosteuropa: Völker und Staaten einer Grosslandschaft. By Dr. Werner Essen. [*Macht und Erde*, Heft 11]. 1938. (Leipzig: Teubner. 8vo. 54 pp. *Rm.* 1.20.)

Gives a short account of the divisions of race and religion in the North-East European States, and of the new post-War States.

U.S.S.R.

108*. The Soviet Comes of Age. By Twenty-eight of the foremost citizens of the U.S.S.R. With a Foreword by Sydney and Beatrice Webb. 1938. (London: William Hodge and Co. 8vo. 337 pp. 15*s.*)

In celebration of the twenty-first anniversary of the Bolshevik Revolution, the publishers commissioned twenty-eight authors to contribute each an essay on different aspects of Soviet life. In the compass of a single volume it is obviously impossible to deal exhaustively with twenty-eight different national activities, and inevitably nearly every chapter is little more than a mere catalogue of progress. The chapters on education, sport, literature and art are perhaps less afflicted with figures than the rest, and afford some interesting though superficial information.

That the book "will be of great value to the serious student of Soviet Communism," as claimed by the Webbs, may, with all deference to these authorities, be questioned. The serious student who hopes to find some positive facts about economic progress will too often find himself faced by baffling percentages. Thus on page 87 it is stated that between 1933 and 1937 the consumption of butter increased by 200 per cent., of eggs by 510 per cent., of ready-made clothing by 40 per cent. and so on. But no indication is given as to the absolute consumption per head of the common necessities of life, and this is just what it is necessary to know to compare the standard of living in the Soviet Union with that in other countries. Again, in the chapter on agriculture (p. 65) it is claimed, on the basis of grain crop yields in 1909–13, 1928–32, 1933, 1935 and 1937, that Soviet methods since the collectivisation of the peasants have resulted in a material increase in the yield of the soil. But it is not mentioned that in 1933 a new method of estimating the grain harvest was adopted, which gave, at

the least, a 10 per cent. better result than the old way, based on the quantity of grain actually garnered. Neither is any mention made of the fact that the quantity of live-stock in the country is still below the pre-revolutionary level. In view of these and other omissions it can scarcely be claimed that the book gives an entirely fair and objective picture of Soviet achievements.

Perhaps the most attractive feature of the book is a number of very excellent photographs. L. E. HUBBARD.

109*. THE COMMUNIST INTERNATIONAL. By Franz Borkenau. 1938. (London: Faber and Faber. 8vo. 442 pp. 12*s*. 6*d*.)

THE history of Comintern is really two. There was the Comintern founded by Lenin in March 1919 to promote the cause of world revolution, then regarded as a necessary condition of the survival of the Soviet régime in Russia. It was this original Comintern which was thought of by Mr. Churchill and others as a menace to the British Empire, and which so seriously embarrassed the efforts of the Soviet leaders, from 1922 onwards, to come to terms with the capitalist world. This Comintern suffered its last defeat in China, and faded out of the picture when Stalin finally established unchallenged control over Soviet Russia. After its last congress in 1928, little more was heard of it; and, as Dr. Borkenau points out in his preface, "as recently as 1933, there was not a single country outside Russia where the communists counted as a political force." Then, with Dimitroff's appointment, the new, or revived, Comintern took the field, using the Congress of 1935 to announce its policy to the world. World revolution was thrust conveniently into the background, and was replaced by the slogan of cooperation with socialist and democratic parties in an anti-Fascist front. It is this new Comintern which, in the last three years, has played a conspicuous rôle in France and Spain, and has not been altogether without its influence in Great Britain.

Dr. Borkenau has met a crying need with his history of this astonishing institution; and the execution of his task is as brilliant as the need was great. He has followed Comintern into every country, and analysed both its continuity and its diversity. It is easy to show that Comintern has in the main followed the requirements of Soviet policy, sometimes at a little distance (it was, for instance, some time before Comintern invented the requisite slogans to match the new Soviet policy of friendship with the democracies and membership of the League of Nations.) But Dr. Borkenau has also shown—and this is perhaps the most original part of his book—how the policy of Comintern as a whole has been influenced by, and utilised for, the quarrels between Soviet leaders. In both respects, the result has been that Comintern has been run for Russian purposes, and in the light of Russian conditions, and that, in framing its policy, no real account has ever been taken of the requirements and peculiarities of other countries in which it had to work. This was perhaps inevitable in an organisation which was always directed exclusively from Moscow. But its results have been sometimes farcical, and sometimes tragic—as when the German communists, under orders from Moscow, helped the Nazis to overthrow the Weimar Republic.

Since 1935, Comintern has—at any rate, on a short view—served the purposes of Soviet foreign policy faithfully and well. But it is less clear what the effect of this policy has been on the communist parties in different countries; and it is still a matter of speculation what the

next directives from Moscow will be. Dr. Borkenau's book is alone in its field, and the only adjective which fairly describes it is the much overworked one—" indispensable." E. H. CARR.

AFRICA.

110. DESERT AND DELTA. By Major C. S. Jarvis, C.M.G., O.B.E. 1938. (London: John Murray. 8vo. 319 pp., illus. 10s. 6d.)

CONFERENCES upon business transactions—notably loans—often approach their subject from angles of extreme obliquity, and the lectures of some dons seem to bear but scant relation to the curriculum. And so it is with the latest look of Major Jarvis. In putting it down one is conscious of having been present during the maintenance of order in rather dull country; but in reading it one was only aware of the procession of a number of vignettes accompanied by a lucid exposition of a not-always-present narrator. The foibles of both Governor and governed are raised in relief by a wit for which the author is already famous.

The drain upon the resources of Egypt caused by the presence of a large number of British officials prior to 1922 was a considerable burden to the country: it was lessened by the employment of more Egyptians, and once again force was given to the slogan of the mid-nineteenth-century Liberals that good government was no substitute for self-government. A dispassionate observer turning over the pages of the Dominions Office and Colonial Office Lists may wonder if the time has not come to ease the burden similarly in all British dependencies. Amusing stories are told of the importance of prestige, of face-saving and of precedence. Whatever may be the administrative efficiency of a people, their standards of honesty, their tendencies towards nepotism and hypocrisy, any attempt to deflect them to the improvement of mankind must be made with due reference to politeness. For what is thought to be a slight is rarely forgotten among peoples who are apt to give more thought to the form than to the substance of negotiation. The use of the black tie and the white shirt in the desert is shown to be a form of discipline for both the Englishman, his subordinates and servants, and not, as is now frequently represented, a survival of feudal despotism. A glimpse of only one of the many amusing episodes must suffice.

A Mamour on a visit of a notable to his area was much incensed at the poaching behaviour of a neighbouring Governor who would cross to his territory and " steal his thunder." This ill-mannered practice having been brought to the notice of a travelling Prime Minister, he asked that those whom he had, regrettably, missed might be presented to him. There was a murmur of " Let loose the Bayyadin " and fifty enormous sons of the desert eclipsed the over-pushful townees and their leader. R.

111*. HITLER OVER AFRICA. By Benjamin Bennett. 1939. (London: Werner Laurie Ltd. Cr. 8vo. 197 pp. 5s.)

THIS book is interesting for its graphic account of the opinions of the white population of former German South-West Africa about the return of the colony to Germany, and for its description of the Nazi methods of propaganda amongst Germans overseas, including economic pressure on those unwilling to serve the party. There is an entertaining account of a Nazi secret ceremony of ordeal by fire, which the

author accidentally witnessed in the bush, and what purports to be a verbatim report of a "Shadow Conference" of two German colonists, a Briton and an Afrikander, arranged by the author, with himself as Chairman and reporter. This illustrates in miniature all the material interests, aspirations, prejudices, and passions which enter into the controversy about return of the colonies.

In other chapters German methods are described, with documentation and reports of conversations. The last two chapters are devoted to the question of the security of British territories and ocean routes if South-West Africa and Tanganyika were returned to Germany. There is a long appendix, containing hitherto unpublished documents seized by the police in a raid on Nazi Headquarters at Windhoek and extracts from the *Report on the Natives of South-West Africa and their Treatment by Germany* prepared in the Administrator's office, Windhoek, in 1918.

The author is a journalist somewhat biased against Germans. He is strongly opposed to the return of any colonies to Germany, mainly on strategic grounds. The book is of interest mainly for the local colour graphically provided. H. S. JEVONS.

THE FAR EAST AND PACIFIC

112*. MADAME CHIANG'S MESSAGES IN WAR AND PEACE. By May-ling Soong Chiang (Madame Chiang Kai-shek). 1938. (Hankow: China Information Committee. 8vo. 318 pp.)

THESE selections from Madame Chiang's writings were compiled with her permission by the China Information Bureau, in the hope that they would give readers abroad a clearer understanding of China's problems. They were published in Hankow under great difficulties, with a promise of a more fitting edition to follow.

The book is evidence of Madame Chiang's part in recent affairs in China. Not all her "messages" are concerned with the war. She is not less interested in the reconstruction of China than in its preservation, and her enthusiasm for the education of "orphans of the Revolution," the "New Life Movement" and similar problems is apparent in the section of the book containing her pre-war writings.

In her war-time addresses and writings Madame Chiang's language is direct and strong. Her criticisms of the inaction of the Powers, her denunciations of Japan, are frequent, complete, and sincere :—". . . we who are virtually condemned to death by the inertia of the Democracies. . . ." "No nation that descends to murder, rape, and rapine can expect to prosper or be respected."

This is plain speaking. The reader may not acquiesce in Madame Chiang's judgments on the duties of the foreign Powers, but he will be forced to admit that her attack on the weaknesses of China is no less direct. If the book does not clarify for him the present situation in the Far East, it at least leaves him in no doubt as to the Chinese view of it.

Madame Chiang's English is as clear and vigorous as her courageous spirit. E. EDWARDS.

113*. NORTH CHINA FRONT. By James Bertram. 1939. (London: Macmillan. 8vo. xvi + 514 pp. 15s.)

IN default of an objective study this account of the beginning of the opposition set up by the "Red" army in the early part of the present "incident" is worth careful consideration; in any case no non-partisan

story could be so live and interesting. The book is full of quiet humour; in no other way would a journey in mid-winter through the depths of North China have been possible.

The "Communists," to whom the brunt of the defence against the Japanese attack north of the Yellow River fell, had behind them experience of the long defence of Kiangsi against the Nanking Government. The regular Chinese armies, which could not or would not fit into their scheme of irregular warfare, moved off; Mr. Bertram met them on their retreat. The mass opposition which was an essential part of the new tactics was made possible by the senseless behaviour of invaders, with an utterly reckless disregard of their duties to the peasantry, to put it mildly. The stage was thus set for that organisation of mass resistance which appears to be in full swing now. Mr. Bertram travelled up to the areas where the 8th Route Army was operating at the end of 1937, before, that is, the organisation had spread far behind the Japanese lines. But the men who subsequently set up anti-Japanese governments all over North China were starting on the right lines.

It would have been interesting if Mr. Bertram had been able to explain an apparent complete *volte face* of these leaders. In Kiangsi they had set out to make a Communist State, and started out in the approved fashion by killing capitalists, a task apparently not uncongenial to their rank and file. The result was a depleted peasant population, starved and deprived of all natural leaders and men of initiative (possession of $10 was in some places the definition of a capitalist); when, therefore, Chiang Kai-shek attacked the Red Army, the peasantry was not able, even if willing, to render any effective support. Was it the realisation of this that made it policy for the leaders to take the opportunity of Sian to call off capitalist baiting? In any case, these leaders must have had great ability, not only thus to face facts, but to be able to turn hard-bitten warriors with the experience of Kiangsi into friends of the countryside. That the 8th Route Army is generally so regarded is a point Mr. Bertram makes, and later events confirm his view, and that by country-people prepared by long experience to expect nothing good from an army. Happy relations between peasantry and soldiers ensure secrecy, information, and mobility, and lead to even greater cooperation. All this the author explains. In addition, he gives details from personal observation or from first-hand sources of actual contacts with the Japanese troops; some of these will, it is hoped, be expanded into longer stories—they will be worth reading.

A confessed partisan may be forgiven a lot, still it would have been useful if Mr. Bertram had been on the look-out for the inevitable weaknesses of an improvised system. From his narrative it is hard to see how the Japanese ever managed to stand up against such heroes. One can only read into his narrative, particularly many vignettes of the leaders, that the exceedingly able men in control realised the size of their problem, and were prepared for Fabian tactics.

In another way, too, partisanship detracts. After the pronouncements, public and other, by the Japanese, it is hardly conceivable that it can be urged seriously that the British have been unfair to China. Possibly not the least of our contributions has been moral sympathy, active or otherwise; in any case that is the gravamen of the charge against us by the Japanese, who say, *e.g.*, that if we had ceased to give face to Chiang Kai-shek he would not have been able to carry on. For an Englishman to proclaim that his countrymen are not sympathetic to China defeats that very end—the keeping up

of the morale of the Chinese people. Mr. Bertram would have liked us to have closed Hong Kong to Japanese shipping, to have granted facilities there to the Chinese without charge, even to have stopped profit by local Chinese mill-owners from the destruction of mills in Shanghai. It is unfortunate that he did not stay long enough in Hankow to get the sober official view of such proposals.

Similar criticisms of the Central Government are even more out of place from a foreigner. Fortunately most of them have been answered by the course of time and the increasing confidence between the Generalissimo and the Communists, a confidence that common action towards a common object will certainly engender if it is at all possible.

We are indebted to Mr. Bertram for a new word: "Groups of women *farewelling* officers." B. WARD PERKINS.

114*. AN ATLAS OF FAR EASTERN POLITICS. By G. F. Hudson and Marthe Rajchman. 1938. (London: Faber and Faber. 8vo. 160 pp. 7*s*. 6*d*.)

THE title "Atlas" leads one to expect a publication in which text is subordinate to maps. Here the opposite is the case, and this fact brings one at once to the question of the purpose and use of the book. The publishers' assurance that it tells us "exactly what is happening in China, and what has happened in China" is so extravagant as to border on the absurd when applied to a volume of 160 pages; while Sir Arthur Salter's statement in the Foreword that we have here all the necessary facts for interpreting the present situation in the Far East, "and indeed almost any conceivable situation likely to arise there," is again claiming almost more than any one book could fulfil. Mr. Hudson himself modestly calls it "a commentary in a geographical framework on the long-term factors of Far Eastern politics." This is a fair description of a considerable section of the book, but there are several chapters which are simply historical essays, occupying space which one feels might with advantage have been used for dealing with certain rather obvious omissions from the list of "long-term factors," such as Chinese overseas migration. The book, in fact, falls rather between two stools. For the uninformed general reader it is too specialised and assumes too much previous knowledge; for the student of Far Eastern affairs it is somewhat too limited in scope.

With these qualifications one may say that the "Atlas" will be a useful and reliable guide to expert and layman alike. Mr. Hudson writes, as always, in a careful and scholarly vein, and Miss Rajchman's maps are models of draftsmanship. With regard to the latter, one is tempted to suggest that the "geographical" method has been a little over-exploited. It is excellent for illustrating movements like population distribution, the territorial expansion of Japan, or the strategic position of the Powers in the western Pacific, but when it is a question of giving straightforward data—*e.g.*, the growth of trade—a simple system of graphs is just as informative and more effective (since a larger scale can be used) than the method of superimposing tiny cubes on a map.

There must, of course, be many omissions in so highly concentrated a work, but it is perhaps permissible to suggest that the development now in progress of new communications between China and the West through Burma and Sinkiang, in compensation for the loss of access to the Pacific seaboard, deserves more than the passing reference which it receives in the otherwise admirable survey of "The Approaches to the Far East" with which the book begins.

Where political developments are in question, Mr. Hudson shows a commendable desire to be fair to the "accused." In one or two cases, however, when he is dealing with the factors which led to the present war, Japan seems to get a little more than her strict due. Mr. Hudson implies on page 72 that Japan's "positive" policy towards China is primarily based on the fear of finding herself in a position of economic and political subjugation to a strong and united China, and he expresses the view that China, if efficiently administered, could industrialise herself so that she would "quickly surpass Japan both in heavy and light industries, competing ruinously with Japanese trade . . . and reducing Japan to inferiority in power." No doubt this might eventually happen, but surely not "quickly," when one considers the magnitude of the obstacles, social, organisational and financial, which will have to be overcome before China can develop large-scale industries capable of mass production—especially in the heavy industries—comparable with those which exist in Japan. In this connection, too, Mr. Hudson tends to exaggerate the damage done to Japan by China's tariff policy. He says, on page 130, that the increases in Chinese tariffs on Japanese goods dealt "a great blow to Japanese trade with China and at the same time offered a chance for the United States, Great Britain and Germany to recover their commercial influence of former years in that country." It is true that the tariffs of 1932 and 1933, when the rates were steeply put up partly in order to compensate for the loss of Manchurian revenue, hit Japanese imports hard, but they hit the other nations as well, and gave rise at the time to strong British protests. In the new tariff of June 1934 there was—presumably under Japanese pressure—a great reduction on the duties levied on many of Japan's principal imports to China, notably cotton goods, while simultaneously rates were increased very heavily on a number of very important imports from the Western countries, especially America, such as raw cotton, kerosene and machinery. As compared with the Western Powers, Japan had in fact little reason to complain, apart from the fact that she largely recouped herself by establishing Japanese-owned industrial plant inside China's tariff wall, and that Japanese importers systematically evaded the tariff by organised smuggling on a gigantic scale. On another point, while it is undeniably true that, as Mr. Hudson says, in the last five or six years China has become "implacably hostile" to Japan, the anti-Japanese movement ought to be considered in close relation to the Japanese actions in North China which provided its *raison d'être*.

One of the chief values of the book is that it unites in a single cover a mass of essential facts relating not only to China and Japan, but also to Siberia, Mongolia, Turkestan and the islands of the Western Pacific, for which one would otherwise have to search through a number of different sources, and that these facts are impressed on the reader's mind by graphic illustrations and by Mr. Hudson's clear and concise style. G. E. HUBBARD.

115*. THE FAR EAST: AN INTERNATIONAL SURVEY. By Harold S. Quigley and George H. Blakeslee. 1938. (Boston: World Peace Foundation Publication. 8vo. x + 353 pp. Cloth, $2·50; paper, 75 c.)

THIS is Professor Blakeslee's *The Pacific Area* originally written for the World Peace Foundation in 1929, revised and extended to cover the period up to the outbreak of the present conflict in July 1937.

The Peace Foundation sets out to advance the cause of peace by

making available " the actual facts concerning international relations . . . in clear, undistorted form." *The Pacific Area* " fills the bill " as regards clarity and objectiveness, but it is, one is bound to confess, terribly dry reading, and the facts are presented on such a uniform level that the reader has to make out as best he can which are the more important.

The chapter on conditions in China (with which the book opens) contains, surprisingly, no mention of the Chinese Communist movement of to-day. On the other hand, the amount of space (ten pages) given to the affairs of the old Chinese Eastern Railway is surely unduly great, while to devote almost one-fifth of the whole book to the subject of foreign rights in China reflects a sense of proportion which seems a trifle out of date at the present time.

The sixty pages of appendices provide the student with a very useful collection of reference material; besides diplomatic documents and statements of policy, they include tables showing the strength of the " Principal Navies " as estimated in April 1938. G. E. H.

116*. THE SMALL INDUSTRIES OF JAPAN : Their Growth and Development. A Report in the International Research Series of the Institute of Pacific Relations. By Teijiro Uyeda and Associates. Issued under the Auspices of the Japanese Council, I.P.R. 1938. (Oxford University Press. 8vo. xxii + 313 pp. Charts. 15s.)

VARIOUS data papers on the small-scale industries of Japan were prepared by Professor Uyeda and his associates for the Conference of the Institute of Pacific Relations at Yosemite in 1936. The information contained in these papers has been brought up to date and is now published in book form in the present volume.

The industries covered are the textile trades : cotton, rayon, wool; the rubber-goods industry; and the bicycle, enamelled ironware and electric lamp industries. The book contains many useful statistical tables and a considerable number of diagrams.

Apart from the original studies, Dr. Uyeda has included in the present volume a chapter on the present state of the small industries of Japan and an informative appendix on the cost of living and real wages. About half of all industrial workers in Japan earn their livelihood in factories employing less than ten persons, and what are called small industries include 60—70 per cent. of all Japanese industrial workers.

Although the Japanese Government, by encouraging the formation of small associations comprising the units of these small-scale industries, has improved the conditions of the workers, in certain cases the conditions are still deplorable. Still, in those rural districts where small-scale industries exist the conditions of living are generally better than those enjoyed in areas devoted solely to farming.

The existence of these small industries using machinery, as is now generally the case, would not be possible were it not for the provision of cheap electrical power. In the words of Dr. Uyeda, " These people are making an interesting experiment to see what wonders electricity can make in the evolution of the industrial system of a country."

BARNARD ELLINGER.

117*. THE TRAGEDY OF THE CHINESE REVOLUTION. By Harold R. Isaacs. With an Introduction by Leon Trotsky. 1938. (London : Secker and Warburg. 8vo. xxv + 502 pp. 18s.)

PROVIDED one is interested in dissecting the dead bones of a revolution, Mr. Isaacs offers a well-documented and, from a chronological

point of view, a thoroughly reliable history of Comintern activity in China from 1925—1938. As the book's introduction is supplied by Trotsky, it is obvious that Stalin's management of the Chinese Revolution has to endure a very full share of blame for the Comintern failure. Chiang Kai-shek is another villain of the piece, as he acted with decision, whilst the Chinese Communists merely passed resolutions. In this latter criticism Mr. Isaacs surely underrates the Nationalist appeal to young China and assigns too much influence to the Chinese Communist party in the early years of the struggle. Though the Nationalists might have conquered China without Comintern support, the Communists could have made little progress without the Kuomintang, but Mr. Isaacs does not agree. He again has no use for Borodin, but the latter did warn Moscow that China was not ripe for Communism. Mr. Isaacs appears unwittingly to lead one to the same conclusion when he details the difficulties of Mao Tse-dung, President of the Chinese Soviet Republic. Borodin was fond of saying, " You cannot communise poverty," and by most observers the same could be said of agricultural China.

Land reform has been an urgent need in China for more than a thousand years. During that period civil war, famines, floods and emigration have acted as palliatives. At the birth of the Chinese Republic the land question was again acute; a growing population and a shrinking agricultural area (due to soil erosion). The land-hungry peasant wants land. Reform can give it to him, but his grandchildren will be as hungry for it as he was. Mr. Isaacs offers no detailed solution, and even the Chinese Soviets never dared to try collectivism. G. R. V. S.

118*. Die Wandlungen im chinesischen Verfassungsrecht seit dem Zusammenbruch der Mandschu-Dynastie unter besonderer Berücksichtigung der rechtlichen Stellung des Staatshauptes. By Dr. Hai-Chao Chiang. [*Beiträge zum ausländischen öffentlichen Recht und Völkerrecht. Herausgegeben vom Institut für ausländisches öffentliches Recht und Völkerrecht in Berlin, Heft* 23.] 1937. (Berlin: Carl Heymanns Verlag.)

The author of this remarkable book, which appeared just before the outbreak of the quasi-war between China and Japan, indicating once again the unique position of the Generalissimo-President, Mr. Chiang Kai-shek, has endeavoured to explain the fundamental changes in the structure of Chinese constitutional law since the breakdown of the Manchus in 1912 to the project of a constitution, published in 1926. The author gives not only a careful and scientific treatment of the different periods of Chinese constitutional development, but elaborates for each period, with its numerous subdivisions, the juridical position of the head of the State and provides a substantial juridical critique of the texts in question. Nineteen constitutions in twenty-eight years, after the long absolute rule of the Manchus, is the provisional result of the periods of experiment which had already been begun in the last years of the Chinese Empire.

Examining the causes of this *embarras de richesse*, Mr. Chiang comes to the conclusion that the lack of a homogeneous central government must be responsible for it. The regular change of the distinct political systems (presidential cabinet and collegiate system) always provoked almost precipitate change of the respective constitutions. In classifying the nineteen constitutions in a most simple manner, the author distinguishes three groups: the first comprising the constitutions of a

monarchical character (1908–1911), the second those of a republican character (1911–1927), the third, since 1927, that of a party-state. He considers that the number of constitutions will increase and that the principal reason lies in the uncritical acceptance of European examples, without consideration of " contrasts so enormous that it is almost impossible to bridge them " in race and general outlook on life. He does not believe that this state of things will improve until these facts are recognised. He sees hope of this in the renaissance of the Chinese people, awoken by their troubles. In a harmonising of Chinese peculiarities and in Western civilisation he seeks the hope of an all-satisfying solution of the constitutional problems of China in the future. It is to be hoped that the terrible time that China is going through may result in the realisation of the wishes of the learned author. The work (enriched by the German text of all nineteen constitutions, part of which has not been translated before, pp. 179–301) should be translated into English and French. KARL STRUPP.

119*. CHINA'S STRUGGLE FOR TARIFF AUTONOMY, 1843–1938. By Stanley F. Wright. 1938. (Shanghai: Kelly and Walsh. La. 8vo. xi + 775 pp., tables. 15s.)

THIS book is a very notable contribution to our knowledge of an important aspect of China's foreign relations. Mr. Wright has examined the original records of a period covering over ninety years, and has extracted from them, and here set out in great detail, all the relevant facts regarding the Chinese tariff and related questions. These cover a wide range, and include a variety of subjects, such as the free port of Hong Kong, opium, likin and transit dues, coast trade, inland water navigation, collection and custody of Customs revenues, and the various revisions of the tariff culminating in the Peking Tariff Conference of 1925–6 and the subsequent achievement of tariff autonomy after the triumph of the Kuomintang in 1928. Mr. Wright has brought to the performance of this task immense industry, as well as an intimate knowledge of the subject and a due sense of proportion. His book is hardly meant for the general reader, but will prove of the greatest value to all future historians of Chinese affairs.

There are one or two blemishes that it would not be difficult to correct in a second edition or an abridgment for general reading, but in general the standard of accuracy is high and, even in the cases where he severely condemns, Mr. Wright's judgment is both sound and impartial. The main impressions that one derives from the book are that the loss of tariff automony inflicted little harm on China, but was in fact a blessing in disguise, that China's troubles were mostly of her own making, but that, on the other hand, the story of opium in China or of the doings of the " swashbuckling fire-eaters " in Hong Kong and some Treaty Ports is not one that an Englishman can read with any satisfaction. J. PRATT.

120. NEW LIFE FOR KIANGSI. By W. H. Young. 1935. (Shanghai. 8vo. x + 196 pp. $2.00.)

THE chief interest of this book lies in the description of the ex-Communist areas in South-East China shortly after the Generalissimo had re-occupied the area, also first-hand accounts from Chinese and foreigners who had lived through the Communist experiment. It is written by a man with sympathy for the peasants, prepared to believe

that the Communists started with some ideals for the betterment of the people, but completely disillusioned by what he saw.

As one result of the slaughter and rapine, the Central Government had perforce to adopt some measures of rehabilitation; an account is given of the beginnings of these. From this sprang the New Life Movement. The resulting shifting of the emphasis from political to social objects has been interrupted by the "incident," but with the possibilities of a permanent truce between the Communists and the Kuomintang there is some hope that the lessons learnt from Kiangsi will not be forgotten. Undoubtedly the Communists themselves have realised that good intentions are not enough. B. WARD PERKINS.

121. IL CONFLITTO CINO-GIAPPONESE E IL BLOCCO DELLE COSTE CINESI. By Professor Roberto Sandiford. (Estratto da *Il diritto Marittimo*, Febbraio-Aprile 1938. 12 pp.)

Discusses the international legal aspect of Japanese blockade of Chinese ports.

122. AGRARIAN CHINA: selected source material from Chinese authors, compiled and translated by the Research Staff of the Secretariat, Institute of Pacific Relations. With an introduction by R. H. Tawney. 1938. (Shanghai: Kelly and Walsh. 8vo. xviii + 257 pp.)

THE preface to this valuable contribution to the study of land utilization problems points out that hitherto Western Sinologists have been too exclusively interested in the ancient history and culture of China, so that little note has been paid by our historians, economists and sociologists to Chinese studies of contemporary Chinese society. To meet this neglect, the Institute of Pacific Relations now produces this useful series of fifty-five selected papers and unpublished manuscripts dealing with various aspects of the agrarian problem, translated from the original Chinese and edited sufficiently to avoid undue repetition and extreme use of explanatory footnotes.

In his introduction to the volume, Professor R. H. Tawney draws attention to the tendency of foreign observers to overlook the importance of land tenure questions in a country where a unit of ownership and a unit of cultivation are very different conceptions, and where a property of moderate acreage that would attract no comment in England or Northern Germany is considered a great estate of the first rank. Under the vicious system of land-tenure, the small farmer, in constant need of credit, is at the mercy of the money-lender, who is often in league with the landlord.

The first dozen papers, therefore, discuss questions of farm tenure and land concentration as they exist in various parts of the country. One contribution on the "Fate of Permanent Tenancy" draws attention to the way in which the trend towards modernisation leads to the breakdown of the old system under which the landlord had only the right to collect rent—none to use or abuse the land—and the establishment instead of property ownership under which powerful clan members ignore the rights of others and sell land to their own personal benefit.

The second group of papers is concerned with problems of labour and farm management, together with such related questions as copper currency, taxation, military requisitions and enforced poppy cultivation.

A third section is devoted to more definitely budgetary features—

usury, pawnshops, bankruptcy, trade capital, cooperatives and experiments in governmental marketing control.

The final group of papers deals with the various ways in which the peasant attempts to balance his budget, augmenting his income through handicrafts, silk-farming, weaving, home brewing and other auxiliary occupations. The remaining papers discuss the important problem of rural migration.

Despite the great diversity of opinions represented, the clear impression left after reading the volume is that the Chinese writers are taking a critical, realistic view both of the evils in the agrarian situation and of the many attempts at rural reform, and that they are facing facts with a frankness which deserves greater recognition.

GEORGE B. BARBOUR.

123*. AGRARIAN PROBLEMS IN SOUTHERNMOST CHINA. By H. S. Chen. 1936. (Shanghai: Kelly and Walsh, for Lingnan University, Canton. 8vo. viii + 144 pp. Also published in U.S.A. under title, "Landlord and Peasant in China: a study of the Agrarian Crisis in South China." New York: International Publishers.)

ONE reason for the early spread in Kwangtung of Dr. Sun Yat-sen's revolutionary ideas was the wretchedness of peasant life under the extreme inequality of land distribution. His legacy in the preface to the 1931 Annual of the Land-Bureau of Chungshan begins with these words: " The agrarian problem is fundamental to our national livelihood. Only by the solution of this problem can mankind gradually get rid of war. Equality in land ownership has been the principle advocated by the Kuomintang. Our chief purpose is to prevent the monopoly by a few, and to provide equal rights and equal opportunity of land use for all the people."

Dr. H. S. Chen's study of the landlord-peasant problem in South China was sponsored by the China Institute of Pacific Relations. His conclusions are based on a careful survey of 24,776 families living in 152 villages scattered through 38 districts of Kwangtung, a province five-sixths the area of Great Britain. Even allowing for the difficulties encountered in any attempt to obtain accurate statistics in China, this unofficial census is a valuable contribution to our understanding of the particular forms taken by agrarian problems in the hinterland of Canton.

The study deals with the village settlements only, so that it is not surprising to learn that 85 per cent. of the total population belong to peasant families. But even in the district nearest to Canton more than three-quarters of the people are farmers. And yet vast tracts of potential farm-land, much of it formerly cultivated, are not even used for rough pasture to-day as the result of the excessive spread of agricultural tenancy. The average for the whole area studied is 57 per cent., while in many districts it ranges from 70 to 90 per cent.

This condition has been on the increase, accentuated recently by political insecurity and economic depression, and in China growing concentration of land ownership has always been symptomatic of economic distress. Even during the last five years there has been a marked reduction in the average holding of each peasant family. The prevalent idea that miniature small holdings are in keeping with the special genius of the Chinese farmer is disproved by recent studies, which show that in many districts most of the farms are too small for

profitable working. In Kwangtung the average farm size is actually less than that in Japan.

Particularly instructive chapters are devoted to the economic and political position of the collective landlords and the whole system of tenancy. In China, property tenure is a family rather than an individual matter, and a large proportion of the land is clan-land or held by merchant social organizations. Under both types of control the authorities tend to abuse their landlord privileges and exploit their tenants.

The survey closes somewhat prophetically upon " a note of misery beyond which human experience can hardly go except in times of catastrophe." The cheapness of life and labour is proof that there is a point beyond which an agricultural society cannot adjust under present conditions. Nor are these conditions merely a phase which will pass with recovery in world trade. Unquestionably the outlook is a gloomy one for the South China farmer.

GEORGE B. BARBOUR.

124*. EDUCATION IN PACIFIC COUNTRIES. By Felix M. Keesing. 1938. (Oxford University Press. 8vo. viii + 226 pp. 8s. 6d.)

Education in Pacific Countries epitomises the discussions of a conference conducted at Honolulu in 1936 by the University of Hawaii and Yale University. The proceedings were too voluminous to be reproduced *in extenso*; and the book of Professor Keesing, without pretending to offer an exact record, gives the substance of the debates on different aspects of the subject. It combines, therefore, some of the virtues of a volume of transactions by a group of contributors and of a book by an individual. The first quality gives it a wide range; the second makes it more readable than collective ventures can usually claim to be. The field covered is immense, and it would be absurd to attempt a summary of the points deserving attention. The anthropologist and economist, as well as the educationalist, will find food for reflection in Professor Keesing's pages. Almost every question of social and educational interest, from the racial composition of the population groups concerned and the new external influences which have played on them in the last century to the merits in varying environments of different educational techniques, is raised and discussed. To read the book in the light of the foreign education ventures launched in the past in some of the regions represented in the discussions of the conference is a salutary discipline. It is to be reminded of duties neglected and follies committed as a result of the failure to think before acting. With Professor Keesing's work at hand to guide the educationist, such failure will be less likely and less excusable in the future.

R. H. TAWNEY.

UNITED STATES

125*. BEFORE AMERICA DECIDES: Foresight in Foreign Affairs. By Frank P. Davidson and George S. Viereck. 1938. (Harvard University Press; Oxford University Press. 8vo. xiv + 318 pp. 12s. 6d.)

THIS book is a collection of papers on American foreign relations written by American academic experts of varying viewpoint. The collection is edited by two young Harvard students, editors of *The*

Harvard Guardian, an undergraduate magazine devoted to the social sciences. Dr. Lawrance Lowell, ex-President of Harvard University, contributes a foreword entitled "Foresight in Foreign Affairs" deploring the inability of governments to probe into the future so as not to be taken unawares by developing international situations. He urges the establishment of a new division in the State Department to make inquiries, and conduct "war games," in the field of diplomacy as Army and Navy Staffs do in the field of defence, so that the United States may be as well prepared for every diplomatic contingency as she is for every military and naval one.

A section on "World Background" contains essays by Professor Hans Kohn on "Nationalism," Professor Henry Phelps on "European Alignments and the United States," Professor A. N. Holcombe on "American Policy in the Far East," and Professor P. S. Wild on "International Law To-day."

There are also contributions from Professor S. F. Bemis on "Main Trends in American Foreign Policy," Professor P. Bradley on "Economic Forces," Major G. F. Elliot on "Strategic and Military Considerations," and Professor C. H. Haring on "Inter-American Relations."

A final section, the most controversial, contains a strongly argued plea for collective security from Professor Clyde Eagleton, a bitter denunciation of all departures from the old conception of American neutrality from Professor Edwin Borchard, an able and sincere examination of the detailed problems involved in a recasting of neutrality law and policy from Professor P. C. Jessup, and a discussion of public opinion in relation to foreign policy from Professor Fritz Marx.

The appendix includes useful reprints of sections of Washington's Farewell Address, President Monroe's famous message to Congress, John Hay's Open Door Circular Note, and Woodrow Wilson's speeches.

The whole book should be useful to that large American public which is to-day eagerly trying to revisualise American policy in the light of recent world events. It is also useful to students on the other side of the Atlantic who wish to follow American controversies and to watch American opinion in the making. The publication reflects much credit on its youthful editors and sponsors, even if it has that inconclusive character inevitable in a compilation of brief papers prepared by busy experts for what some of them may feel to be a deserving but not especially important occasion. F. O. DARVALL.

126*. THE UNITED STATES AND WORLD ORGANISATION, 1920–1933. By Denna Frank Fleming. 1938. (New York: Columbia University Press; Oxford University Press. 8vo. xiv + 569 pp. 20s.)

"THERE can be no world stability or dependable peace without strong participation in world government by the world's most powerful nation." These are the final words of Professor Fleming's book, and they are addressed as an exhortation to his fellow-citizens in the United States. The preceding chapters marshal, in the form of an historical review, the facts and arguments which lead towards this conclusion. As regards the beginning of the League, its early political achievements and its "search for security," there is little that is new, though the material is summarised in a vivid and easily readable form. It is in the parallel but wider picture which the writer gives of the American scene that the European reader will find much that is

interesting about the opposition to the League and the tireless animosity of its opponents. Professor Fleming does not mince his words, or perhaps it would be more accurate to say his quotations, to illustrate how that opposition was given volume and venom by self-seeking and corrupt politicians. The oil scandals, the scandal of the Veterans' hospitals and the liquor graft are painted in passages which it would be an under-statement to describe as purple. It is the merit of the book that it does not isolate foreign policy from domestic politics. The story of the successive tariffs, their effect on war debts, the mad optimism of an artificial prosperity, the crash and the resulting financial paralysis is told with dramatic detail. And against this troubled and troubling background it is easier to understand the successive attitudes of the United States to the League; first, the decision to ignore it, then the attempt to deal with it indirectly, and later the sometimes timid and sometimes courageous endeavours to be helpful in some of its major problems such as Manchuria and Disarmament.

Professor Fleming stops at 1933. One might have asked, Why should not the book have been brought up to date before its publication in 1938? But the Munich agreement has broken the continuity of the pre-Munich evolution, and this question has now little importance. Since, however, Professor Fleming's main thesis remains of permanent importance, his account of American reactions to it in the period he has chosen retains all its value.

The production of the book is excellent as the hallmark of the Columbia Press would lead one to expect. Over fifty illustrations, mainly portraits, add to the vivid character of the manuscript, and make the book an interesting historical record. E. J. PHELAN.

127*. WOODROW WILSON: LIFE AND LETTERS. Vol. VI: Facing War, 1915–1917. By Ray Stannard Baker. 1938. (London: Heinemann. 8vo. xv + 543 pp. 21s.)

THE latest volume of Mr. Baker's official biography of Woodrow Wilson covers most of the period of American neutrality, and ends with a description of the scene in Congress when Wilson made his declaration of war speech on April 2nd, 1917. "It was necessary for me," he wrote a couple of days later, "by very slow steps indeed and with most genuine purpose to avoid war to lead the country on to a single way of thinking." If this utterance was meant to imply that he himself, throughout these "very slow stages," was fixed in his own mind as to what the end should be, the present volume carries evidence enough to refute it. It is the record of Wilson's hesitations and struggles with himself, and nothing is so conspicuously absent from this record as any set purpose in Wilson himself. Nor need we count these hesitations to the discredit of the President. The issues were, from the American standpoint, novel and bewildering; and so shattering a departure from American tradition as participation in a European war by the side of Great Britain and France must long have remained unthinkable to a man so deeply rooted as Wilson in American ways of thought.

The merits of Mr. Baker's work are already well known, and appear to their full advantage in the familiar ground traversed by this volume. The reader of previous instalments will also be prepared for Mr. Baker's particular prejudices. He is consistently biased against House, making him responsible for misunderstandings which should more fairly be